

Registration number: 3605320 (England and Wales)

**TRUELINE PROPERTIES LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

MONDAY



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**TRUELINE PROPERTIES LIMITED**  
**COMPANY INFORMATION**

|                          |   |                           |
|--------------------------|---|---------------------------|
| <b>Directors</b>         | A J Sperrin   | (appointed 23 April 2009) |
|                          | D C Farley  | (appointed 23 April 2009) |
|                          | T H Berglund  | (appointed 23 April 2009) |
| <b>Secretary</b>         | A J Sperrin   | (appointed 23 April 2009) |
| <b>Registered office</b> | 12 Blacks Road<br>Hammersmith<br>London<br>W6 9EU   |                           |
| <b>Auditors</b>          | Harmer Slater<br>Chartered Accountants & Registered Auditors<br>Salatin House<br>19 Cedar Road<br>Sutton, Surrey<br>SM2 5DA |                           |

## **TRUELINE PROPERTIES LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009**

The directors present their report and the audited financial statements for the year ended 31 March 2009.

#### **Principal activity**

The principal activity of the company is that of property investment .

#### **Results and dividend**

The results for the company are set out in the financial statements.

The directors do not recommend the payment of a dividend.

#### **Director**

The director who held office during the year was as follows:

- G Sorrell (Resigned 30 April 2009)

The following directors were appointed after the year end:

A J Sperrin (appointed 23 April 2009)

D C Farley (appointed 23 April 2009)

T H Berglund (appointed 23 April 2009)

#### **Directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 1985. 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.

#### **Statement as to disclosure of information to auditors**

To the knowledge and belief of the directors, there is no relevant audit information that the company's auditors are unaware of, and the directors have taken all the steps necessary to ensure the directors are aware of any relevant audit information and to establish that the Company's auditors are aware of the information.

**TRUELINE PROPERTIES LIMITED**  
**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2009**  
**(CONTINUED)**


**Auditors**

The auditors, Harmer Slater, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006.

**Small company provisions**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 29 July 2009 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A J Sperrin', written over a dotted line.

A J Sperrin  
Director

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF TRUELINE PROPERTIES LIMITED**

We have audited the financial statements of Trueline Properties Limited for the year ended 31 March 2009 set out on pages 6 to 18.

This report is made solely to the company's member in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the company's member those matters we are required to state 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 member for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the statement of Directors' responsibilities on page 2, the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). 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 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 transactions with the company 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.

### **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 an 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.

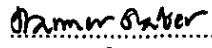
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF  
TRUELINE PROPERTIES LIMITED  
(CONTINUED)**

**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 2009 and of its profit 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.

  
.....  
Harmer Slater  
Chartered Accountants & Registered Auditors  
29 July 2009

Salatin House  
19 Cedar Road  
Sutton, Surrey  
SM2 5DA

**TRUELINE PROPERTIES LIMITED**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED**  
**31 MARCH 2009**

|   | Note | Year ended<br>31 Mar 09<br>£ | 1 Jul 07 to<br>31 Mar 08<br>£ |
|---|------|------------------------------|-------------------------------|
| Gross rental income   | 2    | 21,132                       | 17,800                        |
| Property outgoings  |      | (4,708)                      | (3,042)                       |
| <b>Net rental income</b>                                    |      | <u>16,424</u>                | <u>14,758</u>                 |
| Administrative expenses                                     |      | (663)                        | (2,647)                       |
| <b>Operating profit</b>                                     | 3    | <u>15,761</u>                | <u>12,111</u>                 |
| Exceptional profit on sale of fixed assets                  | 4    | 38,817                       | -                             |
| Other interest receivable and similar income                |      | 19                           | 10                            |
| Interest payable and similar charges                        | 5    | (21,502)                     | (28,419)                      |
| <b>Profit/(loss) on ordinary activities before taxation</b> |      | <u>33,095</u>                | <u>(16,298)</u>               |
| Tax on profit/(loss) on ordinary activities                 | 6    | (17,000)                     | -                             |
| <b>Profit/(loss) for the financial year</b>                 | 15   | <u>16,095</u>                | <u>(16,298)</u>               |

Gross rental income and operating profit derive wholly from continuing operations.

The notes on pages 9 to 18 form an integral part of these financial statements.

**TRUELINE PROPERTIES LIMITED**  
**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR**  
**ENDED 31 MARCH 2009**

|   | Year ended<br>31 Mar 09<br>£ | 1 Jul 07 to<br>31 Mar 08<br>£ |
|---|------------------------------|-------------------------------|
| Net profit/(loss) for the year                  | 16,095                       | (16,298)                      |
| Unrealised surplus on revaluation of properties | -                            | 74,000                        |
| Total recognised gains for the year             | <u>16,095</u>                | <u>57,702</u>                 |

**NOTE OF HISTORICAL COST PROFITS AND LOSSES FOR THE YEAR ENDED**  
**31 MARCH 2009**

|  | Year ended<br>31 Mar 09<br>£ | 1 Jul 07 to<br>31 Mar 08<br>£ |
|--|------------------------------|-------------------------------|
| Reported profit/(loss) on ordinary activities before taxation        | 33,095                       | (16,298)                      |
| Realisation of property revaluation gains of previous years          | 24,000                       | -                             |
| Historical cost profit/(loss) on ordinary activities before taxation | <u>57,095</u>                | <u>(16,298)</u>               |
| Historical cost profits/(losses) for the year after taxation         | <u>40,095</u>                | <u>(16,298)</u>               |

The notes on pages 9 to 18 form an integral part of these financial statements.

**TRUELINE PROPERTIES LIMITED**  
**BALANCE SHEET AS AT 31 MARCH 2009**

|  |      | 31 Mar 09        | 31 Mar 08        |
|--|------|------------------|------------------|
|  | Note | £                | £                |
| <b>Fixed assets</b>  |      |                  |                  |
| Tangible assets  | 7    | 763,850          | 809,500          |
| Investments  | 8    | 5                | 10               |
|  |      | <u>763,855</u>   | <u>809,510</u>   |
| <b>Current assets</b>  |      |                  |                  |
| Debtors  | 9    | 125              | 742              |
| Cash at bank and in hand                                       |      | <u>733</u>       | <u>209</u>       |
|  |      | 858              | 951              |
| <b>Creditors: Amounts falling due within one year</b>          | 10   | <u>(272,135)</u> | <u>(317,652)</u> |
| <b>Net current liabilities</b>                                 |      | <u>(271,277)</u> | <u>(316,701)</u> |
| <b>Total assets less current liabilities</b>                   |      | 492,578          | 492,809          |
| <b>Creditors: Amounts falling due after more than one year</b> | 11   | <u>(288,531)</u> | <u>(304,857)</u> |
| <b>Net assets</b>  |      | <u>204,047</u>   | <u>187,952</u>   |
| <b>Capital and reserves</b>                                    |      |                  |                  |
| Called up share capital  | 14   | 10,000           | 10,000           |
| Revaluation reserve  | 15   | 237,499          | 261,499          |
| Profit and loss reserve  | 15   | <u>(43,452)</u>  | <u>(83,547)</u>  |
| <b>Shareholder's funds</b>                                     | 16   | <u>204,047</u>   | <u>187,952</u>   |

Approved by the Board on 29 July 2009 and signed on its behalf by:



A J Sperrin  
Director

The notes on pages 9 to 18 form an integral part of these financial statements.

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements are prepared on the historical cost basis of accounting and have been prepared in accordance with the Companies Act 1985 and applicable accounting standards.

In accordance with Financial Reporting Standard No 18 "Accounting Policies" the company's director has reviewed the company's accounting policies and confirms that they continue to be the most appropriate.

A summary of the significant accounting policies which have been consistently applied in the current and the preceding year is set out below.

**Cash flow statement**

The company has taken advantage of the exemption conferred by Financial Reporting Standard No 1 (Revised 1996), from presenting a cash flow statement on the grounds that it qualifies as a subsidiary undertaking, 90% or more of whose voting rights are controlled within the group and consolidated financial statements (which includes the company) are publicly available.

**Consolidation**

The financial statements present information about the company as an individual undertaking and not about its group. The company is a wholly owned subsidiary of the ultimate parent undertaking Pineapple Corporation Plc (PCP) incorporated in England and Wales and listed on the Luxembourg Stock Exchange. PCP prepares consolidated financial statements which includes the company and its subsidiary undertakings. The company has therefore taken advantage of the exemptions provided by section 228 of the Companies Act 1985 not to prepare group accounts.

**Gross rental income**

Rental income represents amounts invoiced to third parties in relation to the leasing of the company's investment properties.

Rental income from investment property leased out under an operating lease is recognised in the profit and loss account on a straight-line basis over the term of the lease.

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

(CONTINUED)

**1 ACCOUNTING POLICIES - CONTINUED**

**Investment properties**

Investment properties are properties owned by the company which are held for long-term rental income or for capital appreciation or both and are included in fixed assets at their latest valuation plus subsequent additions at cost. Surpluses and deficits arising on valuation are taken direct to the revaluation reserve.

The Group's property portfolio is valued annually. At least 25 per cent of the properties held at the previous year end together with any additions during the year will be valued by an external valuation agent and the remainder by the directors so that within every four year period all properties would have been subject to an external valuation.

Depreciation is not provided in respect of freehold properties. This treatment may be a departure from the Companies Act 1985 concerning the depreciation of fixed assets in respect of certain of these properties. However such properties are not held for consumption but for investment and the directors consider that annual depreciation would be inappropriate and that this policy is necessary to give a true and fair view. Depreciation is only but one of many factors reflected in the valuation and the amount which might have been shown cannot be separately identified or quantified. Any permanent diminution in value of properties is charged to the profit and loss account.

**Fixed asset investments**

Fixed asset investments are stated at historical cost less provision for any diminution in value.

**Taxation**

Current tax represents the expected tax payable (or recoverable) on the taxable profits for the year using tax rates enacted or substantively enacted at the balance sheet date and taking into account any adjustments from prior years.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed at the balance sheet date, except as required by FRS 19 "deferred tax".

As all of the company's investment properties are held as long term investments and the company has been converted into a Real Estate Investment Trust (REIT), deferred tax is not provided on timing differences arising from revaluation of those assets as any gains realised would be exempt from taxation as long as the REIT conditions are met.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted or substantially enacted at the balance sheet date.

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**  
**(CONTINUED)**

**1 ACCOUNTING POLICIES - CONTINUED**

**Estimates**

Financial statements prepared in accordance with United Kingdom generally accepted accounting practice require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The company makes estimates and assumptions concerning the future and other key sources of estimation uncertainty. Actual results could differ materially from those estimates. The company makes significant assumptions in its determination of a number of assets and liabilities including investment properties and accrued expenses.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

(CONTINUED)

**2 GROSS RENTAL INCOME**

In the opinion of the director the company's gross rental income, loss before taxation and net assets are not attributable to classes of business or geographical segments which differ substantially from each other.

The gross rental income and loss before taxation is attributable to the one principal activity of the company.

**3 OPERATING PROFIT**

Operating profit is stated after charging:

|  | Year ended<br>31 Mar 09 | 1 Jul 07 to<br>31 Mar 08 |
|--|-------------------------|--------------------------|
|  | £                       | £                        |
| The audit of the company's annual accounts | <u>600</u>              | <u>650</u>               |

**4 EXCEPTIONAL ITEMS**

|  | Year ended<br>31 Mar 09 | 1 Jul 07 to<br>31 Mar 08 |
|--|-------------------------|--------------------------|
|  | £                       | £                        |
| Exceptional loss on sale of fixed assets | <u>38,817</u>           | <u>-</u>                 |

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

|                       | Year ended<br>31 Mar 09 | 1 Jul 07 to<br>31 Mar 08 |
|-----------------------|-------------------------|--------------------------|
|                       | £                       | £                        |
| Bank interest payable | 16,316                  | 18,239                   |
| Loan interest         | 5,186                   | 10,180                   |
|                       | <u>21,502</u>           | <u>28,419</u>            |

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

(CONTINUED)

**6 TAXATION**

**Analysis of current period tax charge**

|                        | Year ended<br>31 Mar 09<br>£ | 1 Jul 07 to<br>31 Mar 08<br>£ |
|------------------------|------------------------------|-------------------------------|
| <b>Current tax</b>     |                              |                               |
| REIT conversion charge | <u>17,000</u>                | <u>-</u>                      |

**Factors affecting current period tax charge**

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than (1 Jul 07 to 31 Mar 08 - higher than) the standard rate of corporation tax in the UK of 28.00% (1 Jul 07 to 31 Mar 08 - 30.00%).

The differences are reconciled below:

|  | Year ended<br>31 Mar 09<br>£ | 1 Jul 07 to<br>31 Mar 08<br>£ |
|--|------------------------------|-------------------------------|
| Profit/(loss) on ordinary activities before taxation | <u>33,095</u>                | <u>(16,298)</u>               |
| Standard rate corporation tax charge/(credit)        | 9,267                        | (4,889)                       |
| Exempt property rental losses                        | 595                          | -                             |
| Indexation on capital gains                          | -                            | -                             |
| Exempt property gains                                | (11,340)                     | -                             |
| REIT conversion charge                               | 17,000                       | -                             |
| Group relief   | (3)                          | 4,889                         |
| Tax losses carried forward                           | 1,481                        | -                             |
| Total current tax for the year                       | <u>17,000</u>                | <u>-</u>                      |

**Factors which may affect future tax charges**

The company and its group have been converted into a Real Estate Investment Trust (REIT) with effect from 23 June 2008. Consequently, the company no longer pays UK corporation tax on the profits and gains from qualifying rental business provided it meets certain conditions. Non-qualifying profits and gains of the company continue to be subject to corporation tax as normal. On entering the REIT regime an entry charge equal to 2% of the aggregate market value of the properties associated with the qualifying rental business was payable.

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**  
**(CONTINUED)**

**7 TANGIBLE FIXED ASSETS**

|                          | <b>Investment<br/>properties<br/>£</b> |
|--------------------------|--|
| <b>Cost or Valuation</b> |  |
| As at 1 April 2008       | 809,500                                |
| Additions                | 1,850                                  |
| Disposals                | <u>(47,500)</u>                        |
| As at 31 March 2009      | <u>763,850</u>                         |
| <b>Net book value</b>    |  |
| As at 31 March 2009      | <u>763,850</u>                         |
| As at 31 March 2008      | <u>809,500</u>                         |

**Land and buildings**

The net book value of land and buildings includes:

|                | <b>Investment properties</b> |                        |
|----------------|------------------------------|------------------------|
|                | <b>31 Mar 09<br/>£</b>       | <b>31 Mar 08<br/>£</b> |
| Freehold       | 12,000                       | 59,500                 |
| Long leasehold | <u>751,850</u>               | <u>750,000</u>         |
|                | <u>763,850</u>               | <u>809,500</u>         |

**Revaluation of fixed assets**

The company's investment properties were valued by Willmotts Chartered Surveyors, as at 31 March 2008 in accordance with the Appraisal and Valuation Standards of RICS which became effective on 1 May 2003, on the basis of market value. The company's investment properties valuations were updated by the directors with assistance from Willmotts Chartered Surveyors at 31 March 2009 on the basis of market value. Market value represents the figure that would appear in a hypothetical contract of sale between a willing buyer and a willing seller. Market value is estimated without regard to costs of sale.

The historical cost of properties at 31 March 2009 was £526,351 (31 March 2008: £548,001). The historical cost of leasehold properties included within the above amounted to £514,351 (31 March 2008: £512,501).

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

(CONTINUED)

**8 INVESTMENTS HELD AS FIXED ASSETS**

|                       | Group shares<br>£ |
|-----------------------|-------------------|
| <b>Cost</b>           |                   |
| As at 1 April 2008    | 10                |
| Disposals             | (5)               |
| As at 31 March 2009   | <u>5</u>          |
| <b>Net book value</b> |                   |
| As at 31 March 2009   | <u>5</u>          |
| As at 31 March 2008   | <u>10</u>         |

The company holds more than 20% of the share capital of the following company:

|                                | Country of<br>incorporation | Principal activity                      | Class   | %   |
|--------------------------------|-----------------------------|---|---|-----|
| <b>Subsidiary undertakings</b> |                             |   |   |     |
| Pagecable Limited              | England and<br>Wales        | Dormant                                 | Ordinary  | 100 |
|                                |                             | <b>Capital &amp;<br/>reserves<br/>£</b> | <b>Profit/(loss)<br/>for the<br/>period<br/>£</b> |     |
| <b>Subsidiary undertakings</b> |                             |   |   |     |
| Pagecable Limited              |                             | <u>1</u>                                | <u>-</u>  |     |

**9 DEBTORS**

|              | 31 Mar 09<br>£ | 31 Mar 08<br>£ |
|--------------|----------------|----------------|
| Other debtor | <u>125</u>     | <u>742</u>     |

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**  
**(CONTINUED)**

**10 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                               | <b>31 Mar 09</b> | <b>31 Mar 08</b> |
|-------------------------------|------------------|------------------|
|                               | <b>£</b>         | <b>£</b>         |
| Bank loan                     | 26,428           | 10,367           |
| Other loans                   | -                | 289,880          |
| Trade creditors               | 1,898            | 2,800            |
| Amount owed to parent company | 237,925          | 10,000           |
| REIT conversion tax           | 4,255            | 5                |
| Other creditor                | 191              | -                |
| Accrued expenditure           | 1,438            | 4,600            |
|                               | <u>272,135</u>   | <u>317,652</u>   |

**11 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

|                     | <b>31 Mar 09</b> | <b>31 Mar 08</b> |
|---------------------|------------------|------------------|
|                     | <b>£</b>         | <b>£</b>         |
| Bank loan           | 275,781          | 304,857          |
| REIT conversion tax | 12,750           | -                |
|                     | <u>288,531</u>   | <u>304,857</u>   |

The company has opted to pay its REIT conversion charge by instalments over four years.

Included in the creditors are the following amounts due after more than five years:

|  | <b>31 Mar 09</b> | <b>31 Mar 08</b> |
|--|------------------|------------------|
|  | <b>£</b>         | <b>£</b>         |
| <b>After more than five years by instalments</b> |                  |                  |
| Bank loan  | 163,218          | 254,696          |
|  | <u>163,218</u>   | <u>254,696</u>   |

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

(CONTINUED)

**12 MATURATION OF BORROWINGS**

Amounts repayable:

|   | Bank loan<br>£ | Other Loans<br>£ | Total<br>£     |
|---|----------------|------------------|----------------|
| <b>As at 31 March 2009</b>                |                |                  |                |
| In one year or less on demand             | 26,428         | -                | 26,428         |
| Between one and two years                 | 27,096         | -                | 27,096         |
| Between two and five years                | 85,467         | -                | 85,467         |
| After more than five years by instalments | 163,218        | -                | 163,218        |
|   | <u>302,209</u> | <u>-</u>         | <u>302,209</u> |
| <b>As at 31 March 2008</b>                |                |                  |                |
| In one year or less on demand             | 10,367         | 289,880          | 300,247        |
| Between one and two years                 | 11,171         | -                | 11,171         |
| Between two and five years                | 38,990         | -                | 38,990         |
| After more than five years by instalments | 254,696        | -                | 254,696        |
|   | <u>315,224</u> | <u>289,880</u>   | <u>605,104</u> |

**13 SECURITY OF BORROWINGS**

The bank loan is secured over the company's investment property portfolio.

**14 SHARE CAPITAL**

|   | 31 Mar 09<br>£ | 31 Mar 08<br>£ |
|---|----------------|----------------|
| <b>Authorised</b>                         |                |                |
| <b>Equity</b>                             |                |                |
| 100,000 Ordinary shares of £1 each        | <u>100,000</u> | <u>100,000</u> |
| <b>Allotted, called up and fully paid</b> |                |                |
| <b>Equity</b>                             |                |                |
| 10,000 Ordinary shares of £1 each         | <u>10,000</u>  | <u>10,000</u>  |

**TRUELINE PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

(CONTINUED)

**15 RESERVES**

|                              | Revaluation<br>reserve<br>£ | Profit and<br>loss reserve<br>£ | Total<br>£     |
|------------------------------|-----------------------------|---------------------------------|----------------|
| Balance at 1 April 2008      | 261,499                     | (83,547)                        | 177,952        |
| Profit for the year          | -                           | 16,095                          | 16,095         |
| Transfer of realised profits | (24,000)                    | 24,000                          | -              |
| Balance at 31 March 2009     | <u>237,499</u>              | <u>(43,452)</u>                 | <u>194,047</u> |

**16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS**

|   | 31 Mar 09<br>£ | 31 Mar 08<br>£ |
|---|----------------|----------------|
| Profit/(loss) attributable to the member of the company | 16,095         | (16,298)       |
| Other recognised gains for the period                   | -              | 74,000         |
| Net addition to shareholder's funds                     | <u>16,095</u>  | <u>57,702</u>  |
| Opening equity shareholder's funds                      | 187,952        | 130,250        |
| Closing equity shareholder's funds                      | <u>204,047</u> | <u>187,952</u> |

**17 RELATED PARTIES**

**Controlling entity**

The ultimate parent undertaking is Pineapple Corporation Plc, incorporated in England and Wales, accounts of which are available from 12 Blacks Road, Hammersmith, London W6 9EU.

**Related party transactions**

The company has taken advantage of FRS8 "Related party transactions" which exempts subsidiary undertakings, 90 per cent or more of whose voting rights are controlled within the group, from disclosing transactions with entities that are part of the group or investees of the group qualifying as related parties.

**18 FINANCIAL INSTRUMENTS**

The company has taken advantage of the exemptions from the disclosure requirements set out within FRS 25 "Financial Instruments: disclosure and presentation" on the grounds it qualifies as a subsidiary undertaking, 90 per cent or more whose voting rights are controlled within the group.