

Reversions Financing Limited
Financial statements
30 September 2012

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Reversions Financing Limited

Financial statements

Period from 22 September 2011 to 30 September 2012

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Reversions Financing Limited

Officers and professional advisers

The board of directors	N M F Jopling M Greenwood A R Cunningham P Barber P Couch
Company secretary	Michael P Windle
Registered office	Citygate St James' Boulevard Newcastle upon Tyne
Auditor	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditor 89 Sandyford Road Newcastle Upon Tyne NE1 8HW
Bankers	Barclays Bank Plc Barclays House 71 Grey Street Newcastle Upon Tyne NE99 1JP
Solicitors	Dickinson Dees LLP St Ann's Wharf 112 Quayside Newcastle Upon Tyne NE99 1SB

Reversions Financing Limited

The directors' report

Period from 22 September 2011 to 30 September 2012

The directors present their report and the financial statements of the company for the period from 22 September 2011 to 30 September 2012

Incorporation

The company was incorporated on the 22 September 2011 and began operations on the 26 September 2011

Principal activities

The principal activity of the company during the year was that of an investment company

Directors

The directors who served the company during the period were as follows

N M F Jopling	(Appointed 6 October 2011)
M Greenwood	(Appointed 6 October 2011)
A R Cunningham	(Appointed 6 October 2011)
P Barber	(Appointed 22 September 2011)
P Couch	(Appointed 22 September 2011)

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reversions Financing Limited

The directors' report *(continued)*

Period from 22 September 2011 to 30 September 2012

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Auditor

PricewaterhouseCoopers LLP were appointed as auditors during the year, and are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Signed by order of the directors



Michael P Windle
Company Secretary

Approved by the directors on 22 March 2013

Reversions Financing Limited

Independent auditor's report to the shareholders of Reversions Financing Limited

Period from 22 September 2011 to 30 September 2012

We have audited the financial statements of Reversions Financing Limited for the period from 22 September 2011 to 30 September 2012 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006

Reversions Financing Limited

Independent auditor's report to the shareholders of Reversions Financing Limited (*continued*)

Period from 22 September 2011 to 30 September 2012

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

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 prepare financial statements in accordance with the small company regime



MARK MENTON (Senior Statutory Auditor)
For and on behalf of
PRICEWATERHOUSECOOPERS LLP
Chartered Accountants & Statutory Auditor

89 Sandyford Road
Newcastle Upon Tyne
NE1 8HW

22 March 2013

Reversions Financing Limited

Profit and loss account

Period from 22 September 2011 to 30 September 2012

	Note	Period from 22 Sep 11 to 30 Sep 12 £
Turnover		—
Operating profit		—
Amounts written off investments	2	(3,166,152)
Loss on ordinary activities before taxation		(3,166,152)
Tax on loss on ordinary activities	3	—
Loss for the financial period		<u>(3,166,152)</u>

All of the activities of the company are classed as continuing

Statement of total recognised gains and losses

There are no recognised gains or losses other than the loss of £3,166,152 attributable to the shareholders for the period ended 30 September 2012

The notes on pages 8 to 11 form part of these financial statements

Reversions Financing Limited

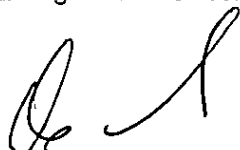
Balance sheet

30 September 2012

	Note	30 Sep 12 £
Fixed assets		
Investments	4	45,067,263
Creditors. Amounts falling due within one year	5	(1)
Total assets less current liabilities		<u>45,067,262</u>
Capital and reserves		
Called-up equity share capital	7	48,233,414
Profit and loss account		<u>(3,166,152)</u>
Shareholders' funds	8	<u>45,067,262</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the directors and authorised for issue on 22 March 2013, and are signed on their behalf by



Mark Greenwood
Director

Company Registration Number 7783643

The notes on pages 8 to 11 form part of these financial statements.

Reversions Financing Limited

Notes to the financial statements

Period from 22 September 2011 to 30 September 2012

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards

Cash flow statement

The company is a wholly owned subsidiary of Grainger plc and the cash flows of the company are included in the consolidated cash flow statement of Grainger plc. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 (Revised 1996) from preparing a cash flow statement

Investments

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

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Group accounts

The financial statements contain information about Reversions Financing Limited 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 requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of the ultimate parent company, Grainger plc, a company registered in England and Wales

2 Amounts written off investments

	Period from
	22 Sep 11 to
	30 Sep 12
	£
Amount written off investments	<u>3,166,152</u>

Reversions Financing Limited

Notes to the financial statements

Period from 22 September 2011 to 30 September 2012

3 Taxation on ordinary activities

(a) Factors affecting current tax charge

The tax assessed on the loss on ordinary activities for the period is higher than the standard rate of corporation tax in the UK of 25%

There is no unprovided deferred tax liability or unrecognised deferred tax asset in these financial statements

	Period from 22 Sep 11 to 30 Sep 12 £
Loss on ordinary activities before taxation	<u>(3,166,152)</u>
Loss on ordinary activities by rate of tax	(791,538)
Non deductible investment write off	<u>791,538</u>
Total current tax	<u>-</u>

(b) Factors that may affect future tax charges

There are no factors that are expected to significantly affect the taxation charges in future years

4 Investments

	Investment in Subsidiary Undertakings £
Cost	
Additions	<u>48,233,415</u>
At 30 September 2012	<u>48,233,415</u>
Amounts written off	
Written off in period	<u>3,166,152</u>
At 30 September 2012	<u>3,166,152</u>
Net book value	
At 30 September 2012	<u>45,067,263</u>

Reversions Financing Limited

Notes to the financial statements

Period from 22 September 2011 to 30 September 2012

4 Investments (continued)

Principal interests of the company

The directors consider that providing details of all subsidiaries as at 30 September 2012 would result in disclosure of excessive length. The following information relates to those subsidiary undertakings whose results or financial position, in the opinion of the directors, principally affect the company.

The company owns 100% of the issued share capital of the companies listed below.

Company

Reversions Financing (No. 1) 2011 Ltd

Nitro 2 Limited

All companies are incorporated in England and Wales

Nature of business

Financing Company

Holding company

5 Creditors Amounts falling due within one year

30 Sep 12

£

Amounts owed to group undertakings

1

6 Related party transactions

The company has taken advantage of the exemption available under Financial Reporting Standard No 8 and has not disclosed transactions with companies that are part of the Grainger plc group.

7 Share capital

Authorised share capital

30 Sep 12

£

48,233,414 Ordinary shares of £1 each

48,233,414

Allotted, called up and fully paid

48,233,414 Ordinary shares of £1 each

No	£
<u>48,233,414</u>	<u>48,233,414</u>

On incorporation the company issued 48,233,414 £1 ordinary shares, which were acquired by the company's parent, Grainger plc, at par.

8. Reconciliation of movements in shareholders' funds

30 Sep 12

£

Loss for the financial period

(3,166,152)

New ordinary share capital subscribed

48,233,414

Net addition to shareholders' funds

45,067,262

Closing shareholders' funds

45,067,262

Reversions Financing Limited

Notes to the financial statements

Period from 22 September 2011 to 30 September 2012

9 Ultimate parent undertaking and controlling party

The directors regard Grainger plc, a company registered in England and Wales, as the ultimate parent undertaking and the ultimate controlling party, being the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Grainger plc consolidated financial statements may be obtained from The Secretary, Grainger plc, Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

Grainger Plc is the immediate controlling party and parent company by virtue of its 100% shareholding in the company.