

TRILLIUM (PRIME) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015

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TRILLIUM (PRIME) LIMITED

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TRILLIUM (PRIME) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their strategic report for Trillium (PRIME) Limited for the year ended 31 March 2015.

BUSINESS REVIEW

The company provides property and other services to the Department for Work and Pensions ("DWP") under the PRIME Agreement.

PRIME is an acronym for Private Sector Resource Initiative for the Management of the Estate. The PRIME Agreement is designed to outsource all aspects of the ownership and operation of the occupational property estate of the DWP for a period of 20 years commencing on 1 April 1998.

The company reported turnover of £534,713,000 (2014: £539,221,000) and loss before taxation of £10,844,000 (2014: profit of £4,527,000), after impairment of subsidiary by £15,000,000 (2014: £nil). The company's results for the year are in line with the directors' expectations.

Aside from profits for the year, the company received £39,003,000 (2014: £nil) following a share re-purchase by Trillium (PRIME) Furniture Limited, a subsidiary of the company. Total recognised gains for the year were £27,467,000 (2014: £3,898,000).

Total shareholders' funds at 31 March 2015 totalled £43,755,000 (2014: £16,288,000).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk facing the company is that it relies primarily on one customer, the DWP, for its income. The long term nature of the PRIME Agreement and government income mitigates this risk in the medium term.

The company is exposed to tax risks resulting from changes in tax legislation and the interpretation of tax legislation, which may expose the company to a reduction in post-tax income. The tax affairs of the company are in good order and the directors and senior management of the company are committed to maintaining an open and transparent dialogue with HM Revenue & Customs.

Owing to the nature of the agreement under which the company operates, the company is not considered to be exposed to other significant risks. The directors monitor potential risks to which the company may be exposed and will take mitigating action as required.

FINANCIAL RISK MANAGEMENT

Credit risk

The company's principal financial assets are bank balances and trade and other debtors.

Trade and other debtors

Debtors are presented in the balance sheet net of allowances for doubtful debts. The company monitors the levels of debt on a regular basis and seeks to trade with creditworthy entities. The credit risk of debtors is considered low given the secure long term cash flows of counterparties.

Bank balances

The credit risk on liquid funds is limited as the counterparties are banks with high credit ratings assigned by international credit rating agencies.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company reviews its liquidity needs on a periodic basis and takes action as necessary.


TRILLIUM (PRIME) LIMITED

**STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2015**

FINANCIAL KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the 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 the business of Trillium (PRIME) Limited.

This report was approved by the board on **23 OCT 2015** and signed on its behalf.



Aaron Burns
Company secretary

TRILLIUM (PRIME) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The directors present their report and the audited financial statements for the year ended 31 March 2015.

DIRECTORS

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

Warren Persky
Trillium Holdings Limited
Trillium Group Limited

DIVIDENDS

The company paid no dividends in 2015 (2014: £34,440,000).

FUTURE DEVELOPMENTS

The directors expect the PRIME Agreement to provide continuing activity for the remainder of the twenty year contract. It is not envisaged that the company will initiate any plans to restructure its principal activities in the forthcoming year and the current level of performance is expected to be maintained.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Qualifying third party indemnity provisions, commonly known as Directors and Officers insurance (as defined by section 234 of the Companies Act 2006), 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 financial risk management can be found on page 1 in the Strategic Report and form part of this report by cross-reference.

TRILLIUM (PRIME) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic report, 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 prepared 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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;
- 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.

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 that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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 on

23 OCT 2015

and signed on its behalf.



Aaron Burns
Company secretary

TRILLIUM (PRIME) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRILLIUM (PRIME) LIMITED

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion, Trillium (PRIME) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its loss and cash flows 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 requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the balance sheet as at 31 March 2015;
- the profit and loss account for the year then ended;
- the cash flow statement and reconciliation of net cash flow to movement in net funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

TRILLIUM (PRIME) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRILLIUM (PRIME) LIMITED

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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) ("ISAs (UK & 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.

What an audit of financial statements involves


We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Lorimer Headley (Senior statutory auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London

Date: **23 OCT 2015**

TRILLIUM (PRIME) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £000	2014 £000
TURNOVER	2	534,713	539,221
Cost of sales		(530,403)	(536,900)
Other operating income	3	713	1,385
		<hr/>	<hr/>
OPERATING PROFIT	4	5,023	3,706
EXCEPTIONAL ITEMS			
Impairment of investment in subsidiary	10	(15,000)	-
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		(9,977)	3,706
Interest receivable and similar income	6	259	871
Interest payable and similar charges	7	(1,126)	(50)
		<hr/>	<hr/>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(10,844)	4,527
Tax on (loss)/profit on ordinary activities	8	(692)	(629)
		<hr/>	<hr/>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	17	(11,536)	3,898
		<hr/>	<hr/>

All amounts relate to continuing operations.

There are no material differences between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the financial year stated above and their historical cost equivalents.

The notes on pages 11 to 21 form part of these financial statements.

TRILLIUM (PRIME) LIMITED

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £000	2014 £000
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(11,536)	3,898
Proceeds from share re-purchase	10,17	39,003	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR		<u>27,467</u>	<u>3,898</u>

The notes on pages 11 to 21 form part of these financial statements.

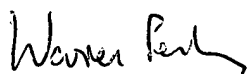
TRILLIUM (PRIME) LIMITED
REGISTERED NUMBER: 3258384

BALANCE SHEET
AS AT 31 MARCH 2015

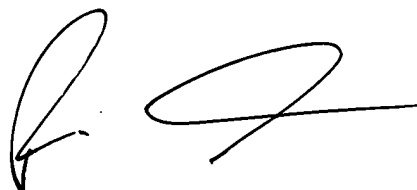
	Note	£000	2015 £000	£000	2014 £000
FIXED ASSETS					
Tangible assets	9		791		847
Investments	10		-		15,000
			<u>791</u>		<u>15,847</u>
CURRENT ASSETS					
Debtors	11	73,125		67,792	
Cash at bank and in hand	12	31,068		9,695	
		<u>104,193</u>		<u>77,487</u>	
CREDITORS: amounts falling due within one year	13	(52,749)		(70,143)	
NET CURRENT ASSETS			<u>51,444</u>		<u>7,344</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>52,235</u>		<u>23,191</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	14	(15)		-	
Other provisions	15	(8,465)		(6,903)	
			<u>(8,480)</u>		<u>(6,903)</u>
NET ASSETS			<u>43,755</u>		<u>16,288</u>
CAPITAL AND RESERVES					
Called up share capital	16		16,919		16,919
Profit and loss account	17		26,836		(631)
TOTAL SHAREHOLDERS' FUNDS	18		<u>43,755</u>		<u>16,288</u>

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

23 OCT 2015



Warren Persky
Director



Russell Gurnhill
Authorised signatory
For and on behalf of Trillium Holdings Limited
Corporate Director

The notes on pages 11 to 21 form part of these financial statements.

TRILLIUM (PRIME) LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £000	2014 £000
Net cash outflow from operating activities	20	(16,215)	(26,803)
Returns on investments and servicing of finance	21	38,135	822
Taxation		(547)	(4,357)
Equity dividends paid		-	(34,440)
INCREASE/(DECREASE) IN CASH IN THE YEAR		21,373	(64,778)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 MARCH 2015**

		2015 £000	2014 £000
Increase/(decrease) in cash in the year		21,373	(64,778)
MOVEMENT IN NET CASH IN THE YEAR		21,373	(64,778)
Net funds at 1 April 2014		9,695	74,473
NET FUNDS AT 31 MARCH 2015	22	31,068	9,695

The notes on pages 11 to 21 form part of these financial statements.

TRILLIUM (PRIME) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. 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 accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts 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.

Turnover

Turnover relates to the provision of property and related services, income from capital projects arising from the PRIME contract, and also rental income from third parties. Lease incentives are recognised on a straight line basis over the shorter of the lease term or the period up to the initial break point or rent review. Turnover from property and related services, known as the unitary charge, is recognised on an accruals basis. Turnover from capital projects is recognised in the accounting periods in which the services are rendered, by reference to the percentage completion of the specific transaction, assessed on the basis of the actual service provided as a portion of the total services to be provided.

Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the company. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

Tangible fixed assets

Furniture is capitalised at cost and carried in the financial statements at market value, based on a depreciated replacement cost methodology.

Valuation gains/losses are taken to the revaluation reserve and are included in the Statement of Total Recognised Gains and Losses except to the extent where it reverses a diminution in the carrying value of the same asset that was previously taken to the Profit and Loss Account, in which case the increase is recognised in the Profit and Loss Account. Diminutions in value are taken to the Profit and Loss Account except where an asset has been previously revalued, in which case diminutions are taken to reserves to the extent of previous revaluations of the same asset.

The portfolio carrying value is reviewed on an annual basis for evidence of impairment.

Investments

The company's investments in shares in group companies are stated at cost less provision for impairment.

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.

Any impairment is charged to the Profit and Loss Account as an exceptional item.

TRILLIUM (PRIME) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. ACCOUNTING POLICIES (continued)

Operating leases

Rentals under operating leases are charged to the Profit and Loss account on an accruals basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Debtors

Debtors are recognised at the amounts receivable less any appropriate provision for estimated irrecoverable amounts. A provision is established for irrecoverable amounts when there is objective evidence that amounts due under the original payment terms will not be collected.

Provisions

Provisions are recognised when the company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are discounted where the time value of money is material.

Taxation

Current taxation

The tax on profit on ordinary activities includes amounts paid or received for group relief in respect of tax losses claimed and surrendered in the current period.

Deferred taxation

Deferred tax is recognised in full in respect of timing differences that have originated but not reversed at the balance sheet date. Timing differences are the difference between the company's taxable profits and its results as disclosed in the financial statements, arising from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are recognised only when their recovery is considered probable.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is not discounted.

TRILLIUM (PRIME) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015****2. TURNOVER**

An analysis of turnover by class of business is as follows:

	2015 £000	2014 £000
Unitary charges	501,821	508,936
Capital projects	14,889	8,886
Third party rents	18,003	21,399
	<u>534,713</u>	<u>539,221</u>

All turnover arose within the United Kingdom.

3. OTHER OPERATING INCOME

	2015 £000	2014 £000
Release of deferred income - asset contribution	713	1,385
	<u>713</u>	<u>1,385</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £000	2014 £000
Impairment of tangible fixed assets:		
- owned by the company	56	48
Operating lease rentals:		
- other operating leases	11,458	11,458
	<u>11,514</u>	<u>11,506</u>

The audit fee for the year totalling £5,000 (2014: £5,000) was borne on the company's behalf by Telereal Services Limited, a fellow group undertaking.

TRILLIUM (PRIME) LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015****5. DIRECTORS' REMUNERATION**

	2015 £000	2014 £000
Aggregate emoluments excluding long term incentive schemes and pensions	8	24
Aggregate amounts receivable in respect of long term incentive schemes	67	81
Payments to defined contribution pension scheme	1	1
Total	76	106

Directors are remunerated by Telereal Services Limited and Trillium Property Services Limited, fellow group undertakings.

Retirement benefits are accruing to four (2014: three) directors under a defined contribution scheme.

The company did not have any employees other than directors during the year under review (2014: nil).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015 £000	2014 £000
Interest receivable from group companies	2	655
Bank interest receivable	257	216
	259	871

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £000	2014 £000
Interest payable to group undertakings	1,126	2
Other interest payable	-	48
	1,126	50

TRILLIUM (PRIME) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

8. TAXATION

	2015 £000	2014 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on (loss)/profit for the year	734	658
Adjustments in respect of prior periods	(62)	(60)
Total current tax	<u>672</u>	<u>598</u>
Deferred tax		
Origination and reversal of timing differences	20	34
Adjustments in respect of prior years	-	(3)
Total deferred tax (see note 14)	<u>20</u>	<u>31</u>
Tax on (loss)/profit on ordinary activities	<u><u>692</u></u>	<u><u>629</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £000	2014 £000
(Loss)/profit on ordinary activities before tax	<u>(10,844)</u>	<u>4,527</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	(2,277)	1,041
Effects of:		
Expenses not deductible for tax purposes	-	(350)
Adjustments to tax charge in respect of prior periods	(62)	(60)
Impairment of investment in subsidiary	3,150	-
Correction to allocation of valuation	(150)	-
Capital allowances	11	(33)
Current tax charge for the year (see note above)	<u><u>672</u></u>	<u><u>598</u></u>

Factors that may affect future tax charges

The Finance Act 2013 reduced the main rate of corporation tax for the financial year 2015 to 20%.

The 2015 Summer Budget announced further decreases in the rate of corporation tax to 19% in the financial year 2017 and 18% in the financial year 2020.

TRILLIUM (PRIME) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

9. TANGIBLE FIXED ASSETS

	Furniture £000
VALUATION	
At 1 April 2014	847
Additions	713
Disposals	(713)
Impairment charge for the year	(56)
At 31 March 2015	<u>791</u>

The directors have worked with their independent valuers, GoIndustry DoveBid, who have reviewed the model used for the valuation, the assumptions applied and the approach taken to ensure it follows the relevant market value provisions of the Royal Institution of Chartered Surveyors (RICS) - Professional Standards, Jan 2014 (RICS Red Book) to produce a director's valuation.

The next independent valuation is due to take place on 31 March 2018.

There is no material difference between the carrying value of the furniture above and the carrying value had the historical cost basis been applied.

In 2018, at the end of the PRIME contract, the DWP has the right to purchase furniture and equipment on the estate at market value under the terms of the contract. Further details may be found within the financial statements of Trillium (PRIME) Property GP Limited, a fellow group undertaking.

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
COST	
At 1 April 2014 and 31 March 2015	<u>22,000</u>
IMPAIRMENT	
At 1 April 2014	7,000
Charge for the year	15,000
At 31 March 2015	<u>22,000</u>
NET BOOK VALUE	
At 31 March 2015	<u>-</u>
At 31 March 2014	<u>15,000</u>

During the year, Trillium (PRIME) Furniture Limited ceased trading and distributed all of its assets and liabilities to the company by way of a share re-purchase for consideration of £39,003,000 (notes 17,18,21). As such, the carrying value of the company's investment in Trillium (PRIME) Furniture Limited has been reduced to nil, being its market value, resulting in an impairment charge of £15,000,000.

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

The company's subsidiaries at 31 March 2014 and 31 March 2015 were as follows:

TRILLIUM (PRIME) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

10. FIXED ASSET INVESTMENTS (continued)

Company name	Country	Percentage Shareholding	Description
Trillium Property Services (PRIME) Limited	England and Wales	100	Subcontractor for the provision of facilities management services for the PRIME portfolio
Trillium (PRIME) Furniture Limited	England and Wales	100	Provision of furniture and equipment to the PRIME portfolio
Trillium (PRIME) Trading Limited	England and Wales	100	Dormant

11. DEBTORS

	2015 £000	2014 £000
Trade debtors	65,654	66,905
Amounts owed by group undertakings	75	-
Other debtors	2,400	-
Prepayments and accrued income	4,996	882
Deferred tax asset (see note 14)	-	5
	<u>73,125</u>	<u>67,792</u>

Amounts due from group undertakings are unsecured and receivable on demand. Interest was received on these balances at LIBOR plus 3.0% per annum (2014: LIBOR plus 3.0% per annum).

12. CASH AT BANK

	2015 £000	2014 £000
Money market deposits	-	8,991
Tenant deposits	509	602
Cash at bank	30,559	102
	<u>31,068</u>	<u>9,695</u>

TRILLIUM (PRIME) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

**13. CREDITORS:
Amounts falling due within one year**

	2015 £000	2014 £000
Trade creditors	1,458	439
Amounts owed to group undertakings	3,368	28,171
Corporation tax	734	646
VAT payable	22,452	23,671
Accruals and deferred income	24,737	17,216
	<u>52,749</u>	<u>70,143</u>

Amounts owed to group undertakings are unsecured and repayable on demand. Interest was paid on these balances at LIBOR plus 3.0% per annum (2014: LIBOR plus 3.0% per annum).

14. DEFERRED TAXATION

	2015 £000	2014 £000
At beginning of year	5	36
Charged for year (P&L)	(20)	(31)
At end of year	<u>(15)</u>	<u>5</u>

The deferred taxation balance is made up as follows:

	2015 £000	2014 £000
Accelerated capital allowances	<u>(15)</u>	<u>5</u>

15. PROVISIONS

	Performance £000
At 1 April 2014	6,903
Charged to profit and loss account	1,707
Amounts used	<u>(145)</u>
At 31 March 2015	<u>8,465</u>

PERFORMANCE

Provisions have been made for obligations relating to performance that may arise due to a performance scoring system. The scoring system compares actual performance by the PRIME contractor and its obligations under the PRIME agreement to provide facilities management services. It is expected that the provision will be utilised over the next two years.

TRILLIUM (PRIME) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

16. SHARE CAPITAL

	2015 £000	2014 £000
ALLOTTED, CALLED UP AND FULLY PAID		
16,919,202 Ordinary shares of £1 each	16,919	16,919

17. RESERVES

	Profit and loss account £000
At 1 April 2014	(631)
Loss for the year	(11,536)
Proceeds from share re-purchase (note 10)	39,003
At 31 March 2015	26,836

18. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £000	2014 £000
Opening shareholders' funds	16,288	46,830
(Loss)/profit for the financial year	(11,536)	3,898
Dividends (note 19)	-	(34,440)
Proceeds from share re-purchase (note 10)	39,003	-
Closing shareholders' funds	43,755	16,288

19. DIVIDENDS

	2015 £000	2014 £000
Dividends £nil per share (2014: £2.04 per share)	-	34,440

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £000	2014 £000
Operating profit	5,023	3,706
Impairments of fixed assets	56	48
Increase in debtors	(5,263)	(57,241)
(Increase)/decrease in amounts owed by group undertakings	(24,914)	36,900
Increase/(decrease) in creditors	7,321	(9,231)
Increase/(decrease) in provisions	1,562	(985)
Net cash outflow from operating activities	(16,215)	(26,803)

TRILLIUM (PRIME) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

21. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £000	2014 £000
Returns on investments and servicing of finance		
Interest received	258	871
Interest paid	(1,126)	(49)
Proceeds from share re-purchase (note 10)	39,003	-
Net cash inflow from returns on investments and servicing of finance	38,135	822

22. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2014 £000	Cash flow £000	Other non-cash changes £000	31 March 2015 £000
Cash at bank and in hand	9,695	21,373	-	31,068
Net funds	9,695	21,373	-	31,068

23. OPERATING LEASE COMMITMENTS

At 31 March 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2015 £000	2014 £000
Expiry date:		
Between 2 and 5 years	11,458	11,458

24. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption provided by Paragraph 3(c) of 'FRS 8: Related party disclosures' not to disclose transactions with entities that are part of the group of entities owned by London Wall Outsourcing Investments Limited, for which consolidated accounts are publicly available.

There were no transactions or balances outstanding with other related parties.

TRILLIUM (PRIME) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

25. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Trillium (PRIME) Limited is a wholly owned subsidiary of Trillium (PRIME) Property GP Limited. Under a trust deed, the beneficial ownership of the company has been transferred to Trillium (PRIME) Holdings Limited.

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 parent undertaking of the smallest group of companies to consolidate the results of the company is Trillium Holdings Limited. The annual report and accounts of Trillium Holdings Limited may be obtained from the Company Secretary, 140 London Wall, London EC2Y 5DN.