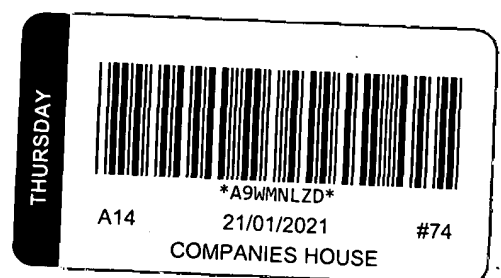


Trenport (Peters Village) Limited
(registered number. 04187596)

Annual report and financial statements
for the year ended 30 June 2020



Trenport (Peters Village) Limited

Strategic report for the year ended 30 June 2020 (registered number: 04187596)

The directors present their Strategic report and the audited financial statements for Trenport (Peters Village) Limited for the year ended 30 June 2020.

Principal activities

The principal activity of the company is property trading and development. The cost of property is carried in the financial statements at its cost of £23.4 million less impairment of £3.4million (2019: £23.9 million less impairment of £nil). Despite the continued difficult economic environment in both the property and housing market the company continued to develop its land holding. The loss on ordinary activities after impairment but before taxation for the financial year amounted to £3.4million (2019: profit £1.3 million)

The results of the company for the year are set out in the Statement of comprehensive income on page 8. A key performance indicator is the net asset position of the company. The value of the net assets at 30 June 2020 was £41.9 million (2019: £45.3 million). The financial position of the group is set out in the Balance sheet on page 9.

Business review and future developments

In May 2014 the company entered into the agreements with its contractors and financiers to commence its residential development at Peters Village on the east bank of the Medway river near Burham, Kent. In order to comply with Town Planning requirements and improve communications between the east and west banks of the River Medway, a new bridge over the river has been constructed, together with the infrastructure required to facilitate the proposed housing development. The bridge was completed in September 2016. The cost of the bridge and infrastructure to facilitate the sale of residential land is projected at £66.3 million.

The company has received a £19.5 million loan facility from the Local Infrastructure Fund established by the Government's Homes and Communities Agency to expedite delivery of large housing developments. As at the balance sheet date, repayments due to land sales have left a balance owing of £11.1 million.

The net developable area at Peters Village covers 86.61 acres and has consent for up to 1,000 residential units, together with the associated educational and leisure facilities, including 27.43 acres set aside for public open space/recreation. The company commenced the marketing of parcels of land to house builders in March 2016. The first new homes have been completed and the development of Peters Village is expected to have been completed by the end of 2023.

Principal risks and uncertainties including financial risk management objectives and policies

The terms on which the United Kingdom may continue to trade with the European Union after Brexit negotiations have been finalised are not yet clear. The directors have assessed the situation and consider any potential impact on the company to be limited. The directors will continue to monitor developments to trading arrangements to assess the risk and plan accordingly to mitigate any potential impacts on the business.

In March 2020, government restrictions were enforced following the classification of the outbreak of COVID-19 as a pandemic by the World Health Organisation, and as of the date of the balance sheet, this is still an ongoing issue. As a result, management are monitoring trading levels for 2020 closely in consideration of this unprecedented situation. However the COVID19 pandemic represents a limited short-term risk to our operations and to our business and there is no material uncertainty on going concern.

The management of the business and execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to be the process and time taken to meet all planning regulations in order to bring development land to the market.

The company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and interest rate and cash flow risk. The company's overall financial risk management objective is to minimise its potential adverse effects on the financial performance of the company.

Trenport (Peters Village) Limited

Strategic report for the year ended 30 June 2020

(registered number: 04187596)

Principal risks and uncertainties including financial risk management objectives and policies (continued)

(a) Credit risk

Credit risk arises from the cash streams of the property portfolios which it owns and manages. The amounts presented in the company balance sheet are net of allowances for doubtful receivables, estimated on prior experience and assessment of the current economic climate.

(b) Liquidity risk

The company practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient funding requirements for working capital. The company has debt facilities that are designed to ensure it has sufficient available funds for operations and planned expansions.

(c) Interest rate cash flow risk

The company has interest bearing liabilities which consist of external loan commitments.

In addition to these the risk arising from the terms on which the United Kingdom may withdraw from the European Union is not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Going concern

As referred to in the accounting policies, the directors have concluded that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements

In determining whether the company's accounts can be prepared on a going concern basis, the directors considered the company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and borrowing facilities and the principal risks and uncertainties relating to its business activities.

In the third quarter of 2019 the market for investment property generally and industrial property in particular, strengthened considerably and in the fourth quarter the market slowed due to the General Election and Brexit uncertainty. The first quarter of 2020 saw demand for industrial units increase further but with the advent of the Covid crisis all market activity stopped. However as the second and third quarters progressed it saw a boom in demand for distribution premises first driving occupier demand and has ended with investment activity returning to Pre-Covid prices.

The housing market was effectively shut for seven weeks, having closed on the 23 March 2020. It reopened in May 2020 with house moves and viewings able to resume under social distancing and safety rules in England. Prime central London sales prices fell during the second quarter and prices still remain down from the 2014 peak. House price growth is negative year on year as discretionary buyers and sellers remain cautious but good quality stock still transacts at strong price points.

On the basis that the company has the support of its parent company, Trenport Property Holdings Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least twelve months from the signing of the accounts. Accordingly, they continue to adopt the going concern basis in the preparation of the Annual report and financial statements.

Approved by the board and
signed on its behalf by:



S Heycock

Director

22 December 2020

Trenport (Peters Village) Limited

Report of the directors for the year ended 30 June 2020 (registered number: 04187596)

This report contains the statutory information disclosed in addition to that set out in the separate Strategic report. Information relating to the future development of the business and financial risk management objectives, which would otherwise be included in the Report of the directors, is included in the Strategic report.

Directors

The directors of the company during the year ended 30 June 2020 and up to the date of signing the financial statements were:

A S Barclay	
C D Hall	resigned 31 July 2020
R J Hall	
S Heycock	
N J Hopper	
P L Peters	

Dividend

The directors do not recommend the payment of a dividend for the year ended 30 June 2020 (2019: nil)

Directors Indemnities

The parent company, Shop Direct Holdings Limited, has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Disclosure of information to auditors

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

- So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have been taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Auditor

Deloitte LLP have indicated their willingness to continue in office, pursuant to section 487(2) of the Companies Act 2006.

Approved by the board and
signed on its behalf by:



S Heycock
Director
22 December 2020

Trenport (Peters Village) Limited

Statement of directors' responsibilities (registered number: 04187596)

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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 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.

Trenport (Peters Village) Limited

Independent auditors' report to the members of Trenport (Peters Village) Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Trenport (Peters Village) Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 - 15

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

Trenport (Peters Village) Limited

Independent auditors' report to the members of Trenport (Peters Village) Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Report of the directors have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Report of the directors.

Trenport (Peters Village) Limited

Independent auditors' report to the members of Trenport (Peters Village) Limited

Matters on which we are required to report by exception

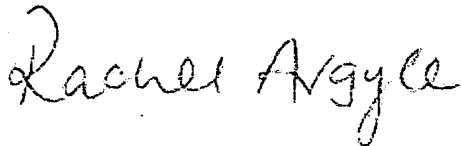
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Rachel Argyle (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Manchester, United Kingdom

22 December 2020

Trenport (Peters Village) Limited

Statement of comprehensive income for the year ended 30 June 2020

	NOTE	2020 £'000	2019 £'000
Turnover		7	9,235
Cost of sales		-	(7,951)
Gross Profit		7	1,284
Administrative expenses		(48)	(4)
Impairment of property stock	8	(3,350)	-
Operating (loss)/profit		(3,391)	1,280
Net finance costs		-	6
(Loss)/profit before taxation	5	(3,391)	1,286
Tax on (loss)/profit	6	-	-
(Loss)/profit and total comprehensive (expense)/income for the financial year		(3,391)	1,286

The (loss)/profit for current financial year and prior financial year arises from the company's continuing operations.

The notes on pages 10 to 16 are an integral part of these financial statements.

Trenport (Peters Village) Limited

Balance sheet as at 30 June 2020
(registered number: 04187596)

	NOTE	2020 £'000	2019 £'000
Current assets			
Inventories	8	23,440	23,909
Debtors: amounts falling due within one year	9	24,224	25,790
Cash at bank and in hand		5,615	6,149
		<u>53,279</u>	<u>55,848</u>
Creditors: amounts falling due within one year	10	<u>(11,350)</u>	<u>(10,528)</u>
Total assets less current liabilities and net current assets		<u>41,929</u>	<u>45,320</u>
Net assets		<u>41,929</u>	<u>45,320</u>
Capital and reserves			
Called up share capital	11	35,200	35,200
Retained earnings		<u>6,729</u>	<u>10,120</u>
Total shareholders' funds		<u>41,929</u>	<u>45,320</u>

Statement of changes in equity for the year ended 30 June 2020

	Called up Share capital £'000	Retained Earnings £'000	Total equity £'000
At 1 July 2018	35,200	8,834	44,034
Profit for the financial year and total comprehensive income	-	1,286	1,286
At 30 June 2019	35,200	10,120	45,320
Loss for the financial year and total comprehensive expense	-	(3,391)	(3,391)
At 30 June 2020	35,200	6,729	41,929

The notes on pages 10 to 16 are an integral part of these financial statements.

The financial statements on pages 8 to 16 were approved by the board of directors on 22 December 2020 and signed on its behalf by:


S Heycock
Director

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020

Statement of accounting policies

1. General information

Trenport (Peters Village) Limited ("the company") is a property trading and development company.

The company is a private company, limited by shares and registered in England and Wales. The company's registered office is 2nd Floor, 14 St George Street, London, United Kingdom, W1S 1FE. The nature of the company's operations and its principal activities are set out in the Strategic report on pages 1 to 2.

The functional and presentational currency of the company is considered to be pound sterling because that is the currency of the primary economic environment in which the company operates.

2. Statement of compliance

The individual financial statements of Trenport (Peters Village) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") as issued by the Financial Reporting Council and the Companies Act 2006.

The company has applied amendments to FRS 102 issued by the FRS in December 2017 with effect from 1 January 2019.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the presented, unless otherwise stated.

Basis of preparation

The financial statements are prepared in accordance the Companies Act 2006 and applicable Accounting Standards under the historical cost convention, other than discussed below. The accounts are drawn up to the Saturday nearest to 30 June, or to 30 June where this falls on a Saturday.

Going concern

In determining whether the company's accounts can be prepared on a going concern basis, the directors considered the company's business activities together with factors likely to affect its future development, performance and its financial position including cash flows, liquidity position and borrowing facilities and the principal risks and uncertainties relating to its business activities. These are set out within the Strategic report and Report of the directors.

After making appropriate enquiries and on the basis that the company has support of its parent company, Trenport Property Holdings Limited, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in the preparation of the annual report and accounts.

Exemptions for qualifying entities under FRS 102

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. These being a reconciliation of the number of shares outstanding at the beginning and end of the year, a statement of cash flows, key management personnel compensation and certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated, being Trenport Property Holdings Limited.

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020 (continued)

3. Summary of significant accounting policies (continued)

Turnover

Turnover, which excludes value added tax, represents sales of residential and commercial land. Turnover is recognised when the significant risks and rewards of ownership has been transferred to the buyer, this is on the completion of contracts. All turnover has been realised in the United Kingdom and from one class of business.

Interest receivable and similar income

Interest receivable comprises the income received from monies held in its bank accounts. Income is recognised in the Statement of comprehensive income in the period to which it relates.

Inventories

Land held for development and construction work in progress are valued at the lower of cost and net realisable value. Cost includes appropriate directly attributable overheads. Inventory values are independently reviewed regularly to check for potential impairments and these are expensed to profit and loss when identified.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

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 what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, 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 are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at measured cost using the effective interest method. Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020 (continued)

3. Summary of significant accounting policies (continued)

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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 exception:

- 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 un discounted 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to the sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Financing costs

Arrangements and other issue costs incurred as a result of entering loan and other facilities are deferred and expensed over the length of the related loan or facility. Costs of Interest and related costs on loans specifically held for the purposes of financing inventory are capitalised along with other identifiable construction costs. They are then expensed as normal. The total amount of borrowing costs capitalised in the year are £586k (2019: £735k)

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020 (continued)

4. Critical accounting judgements and estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied.

Key sources of estimation uncertainty

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are addressed below:

Valuation of inventory

At any point in time, the company holds significant levels of inventory, including work in progress. Land development is complex with long lead times until a site is ready for sale. Assessments are made over the valuation of the land, either by professional qualified external valuers, or by the parent company's own internal qualified staff to ensure the inventory is correctly stated at the lower of cost and net realisable value. The value of the inventory held (see note 8), after an impairment of £3,350,000 (2019: £nil) is £23,440,000 (2019: £23,909,000)

5. (Loss)/profit before taxation

The (loss)/profit before taxation is stated after charging:

	2020 £'000	2019 £'000
Impairment of trading stock	3,350	-
Audit of the financial statements	5	5
	<hr/>	<hr/>

There are no non-audit fees payable to the auditor in the current year or prior year.

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020 (continued)

6. Taxation on (loss)/profit

	2020 £'000	2019 £'000
Current tax:		
United Kingdom corporation tax at 19.0% (2019: 19.0%)	-	-
Deferred tax:		
Deferred tax charge	-	-
Total tax on (loss)/profit	<u>-</u>	<u>-</u>

The tax assessed for the year is the same (2019: lower) as the standard rate of corporation tax in the United Kingdom, 19.0% (2019: 19.0%). The differences are explained below:

	2020 £'000	2019 £'000
(Loss)/profit before tax	<u>(3,391)</u>	<u>1,286</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the United Kingdom of 19.0% (2019: 19.0%)	(644)	244
Effects of:		
Transfer pricing adjustment	149	165
Group relief for nil consideration	-	(409)
Carry forward losses	<u>495</u>	<u>-</u>
Total taxation	<u>-</u>	<u>-</u>

The company earns its profits primarily in the UK. Therefore, the tax rate used for tax on profit is the standard rate of UK corporation tax of 19.0% (2019: 19.0%).

Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will be held at 19%.

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020 (continued)

7. Directors and employees

For their services provided for this company and the group, the directors received total remuneration of £643k (2019: £752k) during the year, but it is not practicable to allocate this between their services as director of this company and services to the rest of the Trenport Property Holdings Limited group (2019: same).

There are no employees other than the directors (2019: none).

8. Inventories

	2020 £'000	2019 £'000
Land held for development	23,440	23,909

The land held for development was independently valued at 30 June 2020 which resulted in an impairment of £3,350,000 (2019: £nil). The loan from the Local Infrastructure Fund (see note 10) is secured over the land of the company.

9. Debtors: amounts falling due within one year

	2020 £'000	2019 £'000
Other debtors	58	30
Trade debtors	4,666	4,645
Amount owed to group undertaking	-	15
Amount owed by immediate holding company	19,500	21,100
	24,224	25,790

The amounts owed by immediate holding company and the fellow group undertakings are unsecured, interest free and are repayable on demand.

10. Creditors: amount falling due within one year

	2020 £'000	2019 £'000
Amounts owed to group undertaking	245	-
Other loan	11,073	10,488
Trade creditors	25	14
Accruals and deferred income	7	26
	11,350	10,528

The amount owed to group undertaking is unsecured, interest free and is repayable on demand.

The other loan is the £19.5m loan facility (plus accrued interest and less repayments to date) provided by the Local Infrastructure Fund established by the Government's Homes and Communities Agency which is secured over the stock of the company and bears interest at a variable rate between 5.25% and 5.44%. The loan and interest accrued thereon is repayable upon stock sales and final repayments are made in March 2021.

The interest accrued on the other loan is included within the land held for development (see note 8).

Trenport (Peters Village) Limited

Notes to the financial statements for the year ended 30 June 2020 (continued)

11. Called up share capital

	2020 £'000	2019 £'000
Authorised:		
40,000,000 (2019: 40,000,000) ordinary shares of £1 each	40,000	40,000
	<hr/>	<hr/>
Allocated, called up and fully paid:		
35,200,000 (2019: 35,200,000) ordinary share of £1 each	35,200	35,200
	<hr/>	<hr/>

One class of ordinary shares with no rights to fixed income.

12. Operating leases

The total of future minimum income receivable under the entity's non-cancellable operating leases with tenants for each of the following periods is as follows:

	2020 £'000	2019 £'000
Land and Buildings:		
Not later than one year	7	7
Later than one year and not later than five	28	28
Later than five years	263	270
	<hr/>	<hr/>
	298	305

13. Related party transactions

As all of the company's voting rights are controlled within the group headed by Shop Direct Holdings Limited, the company has taken advantage of the exemption contained in FRS 102 para.33.1A and has therefore not disclosed transactions or balances with entities which form part of the Shop Direct Holdings Limited group or are disclosed in the group financial statements.

14. Ultimate controlling party

The immediate holding company is Trenport Investments Limited, a company registered in England and Wales, which the Directors regard as being ultimately controlled by the Sir David Barclay and Sir Frederick Barclay Family Settlements.

Shop Direct Holdings Limited, a company registered in England and Wales, is the parent undertaking of the largest group of undertakings to prepare publicly available consolidated financial statements at 30 June 2020. Trenport Investments Limited is the smallest group of undertakings to consolidate these financial statements. The financial statements of Trenport Investments Limited and Shop Direct Holdings Limited can be obtained by writing to 2nd Floor, 14 St George Street, London W1S 1FE, which is also the registered address of these entities.

15. Post balance sheet event

On 7 December 2020 the settlement date of the loan provided by the Local Infrastructure Fund, established by the Government's Homes and Communities Agency, has been extended to 31 March 2022.