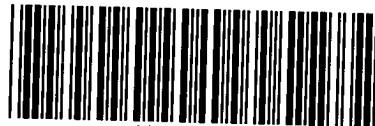


**COMPANY REGISTRATION NUMBER 04630928**

**Grainger Trust Limited**  
**Financial Statements**  
**30 September 2014**

THURSDAY



\*A4416AGP\*

A21

02/04/2015

#144

COMPANIES HOUSE

# **Grainger Trust Limited**

## **Financial statements**

**Year ended 30 September 2014**

---

<b>Contents</b>	<b>Page</b>
Company details	1
Report of the board of management	2
Independent auditor's report to the shareholders	6
Profit and loss account	8
Balance sheet	9
Notes to the financial statements	10

# Grainger Trust Limited

## Company Details

---

**The board of management**

Miss Gina Amoh  
Mr John Beresford  
Ms Laure Duhot  
Mr Nicholas M F Jopling  
Mr Calum Mercer  
Mrs Deborah F Shackleton

**Company secretary**

Michael P Windle

**Registered office**

Citygate  
St James' Boulevard  
Newcastle Upon Tyne  
NE1 4JE

**Auditor**

PricewaterhouseCoopers LLP  
Chartered Accountants  
& Statutory Auditor  
Central Square South  
Orchard Street  
Newcastle upon Tyne  
NE1 3AZ

**Bankers**

Barclays Bank Plc  
Barclays House  
71 Grey Street  
Newcastle upon Tyne  
NE99 1JP

**Solicitors**

Bond Dickinson LLP  
St Ann's Wharf  
112 Quayside  
Newcastle upon Tyne  
NE99 1SB

**Managing agents**

Grainger Residential Management Limited  
Citygate  
St James' Boulevard  
Newcastle Upon Tyne  
NE1 4JE

**Registration**

Homes & Communities Agency (registration 4743)

# **Grainger Trust Limited**

## **Report of the board of management**

**Year ended 30 September 2014**

---

The Board of Management present their report and the audited financial statements for the year ended 30 September 2014.

### **Principal Activity**

The principal activity of Grainger Trust Limited (GTL) is the provision of affordable housing units for rent or shared ownership. GTL is a for profit registered provider (FPRP) of social housing that was registered with the Homes and Communities Agency in November 2012. It is a wholly owned, ring-fenced subsidiary of Grainger plc.

### **Members of the Board of Management**

The Members of the Board of Management during the year ended 30 September 2014 were:-

Mrs Deborah F Shackleton (Chairperson)  
Miss Gina Amoh  
Mr John Beresford  
Ms Laure Duhot  
Mr Nicholas M F Jopling  
Mr Calum Mercer

### **Registration of the Company**

The Company is registered with the Homes and Communities Agency registration 4743.

### **Financial Statements and state of the Company's affairs**

The results for the year are shown in the profit and loss account on page 8.

### **Review of the Year**

GTL continues to grow and now has the first tranche of properties in ownership. It is well placed to be able to start scaling the business to deliver good quality social housing which will complement the property portfolio of the group and will deliver strong future profits and returns for the company. GTL is contracted to take the next phase of homes from Redrow at Berewood - 98 units - and expects to start to take hand over of these units from June 2015. The first phase at Wellesley, Aldershot, with Bellway is also now under contract and will produce a further 80 units. Their first GTL homes at this site will be handed over from July 2015. As well as strategic land acquisitions, GTL continues to look at a number of other opportunities to organically grow the business through taking on the affordable aspects of mixed schemes especially associated with PRS, primarily in London and other major urban centres.

### **Value for money**

The primary expenditure in this first year of property ownership and management has been the purchase of our first 15 houses. These were developed by independent house builders on the basis of Grainger plc tenders, and given the substantial uplift in valuations post purchase, the Board of Management are satisfied that they have achieved excellent value for money.

Arrangements around the clerk of works role for GTL's units during the build process have been changed and procured at a reduced cost and a much enhanced service offer to provide better value for money in the delivery of GTL's pipeline units.

Maintenance services have been minimal this year, as most properties are still under warranty, but, where required, services have been provided by Kier, identified by Grainger plc through a formal competitive tender process in 2013. In this way GTL is able to benefit from the value for money and economies of scale achieved by its parent organisation.

Management and administrative services have been provided by the Grainger plc group which employs one full time member of staff wholly concentrating on GTL. Other finance and administrative services are shared with the group. Management costs per unit have been benchmarked against sector averages and show that services provided by the group are competitive within the sector.

---

# **Grainger Trust Limited**

## **Report of the board of management**

**Year ended 30 September 2014**

---

Considering GTL's current small scale, it is again benefitting from the economies of scale achieved by its parent organisation.

GTL has been entirely funded by equity investment from the Grainger plc group. At this early stage in its development, GTL has no plans to dispose of properties, concentrating instead on building up its property holding to enable it to achieve better economies of scale. Plans are in place to grow GTL to between 800-850 properties in the next 5 years. Until then, housing management costs will inevitably exceed those of the best performing RPs.

Rent arrears to date are nil, no voids have occurred since first let/sale and only one complaint has been received and actioned satisfactorily.

Given the fact that all properties have been in ownership for less than a year, it is not possible and indeed would be misleading to provide details of the absolute and comparative cost of delivering specific services, which are being collected and analysed. The Board of GTL is very conscious of the need to know and understand the detail of the costs of delivering services, as GTL grows and improves its social housing stock and services.

### **Governance**

The Board of Management has adopted and is operating under the relevant sections of the UK Corporate Governance Code, in line with that already adopted and fully complied with by Grainger plc. The Board of Management has considered the Code of Governance produced by the National Housing Federation (NHF). The Board strives to comply with the spirit of the recommendations made in the NHF's Code.

### **Statement of Board's Responsibilities**

The Board of Management is responsible for preparing the Management Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Board to prepare financial statements for each financial year. Under that law the Board 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 Board 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 Board is 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 Board is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2012. 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.

The Board of Management acknowledges its ultimate responsibility for ensuring that the Company has in place a system of controls that is appropriate to the business environment in which it operates. These controls are designed to give reasonable assurance with respect to:-

---

# Grainger Trust Limited

## Report of the board of management

Year ended 30 September 2014

- 
- the reliability of financial information used within the Company or for publication;
  - the maintenance of proper accounting records, and
  - the safeguarding of assets against unauthorised use or disposition and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

It is the responsibility of the Board of Management to establish and maintain systems of internal financial control. Such systems can only provide reasonable and not absolute assurance against material financial misstatement or loss. Key elements include:-

- formal policies and procedures are in place, including the documentation of key systems and rules relating to the delegation of authorities, which allow the monitoring of controls and restrict the unauthorised use of the Company's assets;
- experienced and suitably qualified staff take responsibility for important business functions. Annual appraisal procedures have been established to maintain standards of performance;
- forecasts and budgets are prepared which allow the Board of Management to monitor the key business and financial objectives and risks and the progress towards financial objectives set for the year and the medium term; regular management accounts are prepared promptly providing relevant, reliable and up-to-date financial and other information; significant variances from budget are investigated as appropriate;
- all investment projects are subject to formal authorisation procedures by the Board of Management;
- the Board of Management reviews reports from the managing agents and from the external auditors to provide reasonable assurance that control procedures are in place and are being followed. This includes a general review of the major risks facing the Company and
- formal procedures have been established for instituting appropriate action to correct weaknesses identified from the above reports.

The Board of Management has reviewed the effectiveness of the system of internal financial control in existence in the Company for the year ended 30 September 2014. No weaknesses in internal financial control resulted in material losses, contingencies, or uncertainties which require disclosure in the financial statements or the auditors' report on the financial statements.

### Statement of Disclosure of Information to Auditors

We, the Board members of the Company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Board members in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditor

A tender process for the external audit has recently concluded and the Board of Grainger plc resolved to appoint KPMG LLP as auditors of the company for the year ended 30 September 2015.

# Grainger Trust Limited

## Report of the board of management

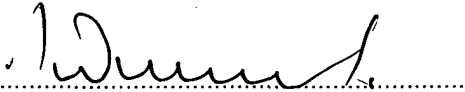
Year ended 30 September 2014

---

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The financial statements were approved by the Board of Management on 26 March 2015 and signed on its behalf by:-



Michael P Windle  
Company Secretary

# **Grainger Trust Limited**

## **Independent auditors' report to the members of Grainger Trust Limited**

**Year ended 30 September 2014**

---

### **Report on the financial statements**

---

#### **Our opinion**

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the registered provider's affairs as at 30 September 2014 and of the registered provider's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Housing and Regeneration Act 2008 and the Accounting Direction for Social Housing in England 2012.

This opinion is to be read in the context of what we say in the remainder of this report.

---

#### **What we have audited**

The registered provider financial statements (the "financial statements"), which are prepared by Grainger Trust Limited, comprise:

- the registered provider balance sheet as at 30 September 2014;
- the registered provider profit and loss account for the year then ended;
- 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 their preparation 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.

---

#### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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 registered provider'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 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.

---

### **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.



# Grainger Trust Limited

Independent auditors' report to the members of Grainger Trust Limited (*continued*)

Year ended 30 September 2014

---

## 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 by the registered provider, or returns adequate for our audit have not been received from branches not visited by us; or
- the registered provider 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.

---

### Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

---

## Responsibilities for the financial statements and the audit

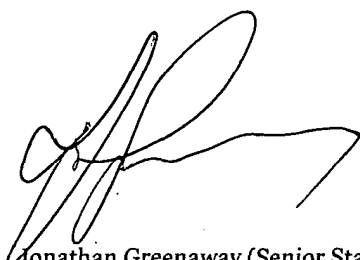
---

### Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, 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 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 registered provider's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Housing and Regeneration Act 2008 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.



Jonathan Greenaway (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
26 March 2015

# Grainger Trust Limited

## Profit and loss account

Year ended 30 September 2014

		2014	2013
	Note	£	£
Turnover	2	456,825	-
Cost of sales	2	(228,741)	-
<b>Gross profit</b>		<b>228,084</b>	<b>-</b>
Administrative expenses	2	(182,916)	(69,344)
<b>Operating profit / (loss)</b>	<b>2 / 3</b>	<b>45,168</b>	<b>(69,344)</b>
<b>Profit / (loss) on ordinary activities before taxation</b>		<b>45,168</b>	<b>(69,344)</b>
Tax on profit / (loss) on ordinary activities	5	(10,411)	16,296
<b>Profit / (loss) for the year</b>		<b>34,757</b>	<b>(53,048)</b>

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 profit of £34,757 attributable to the shareholders for the year ended 30 September 2014 (2013 – loss of £53,048).

The notes on pages 10 to 16 form part of these financial statements.


# Grainger Trust Limited

## Balance sheet

30 September 2014

			2014	2013
	Note	£	£	£
<b>Fixed assets</b>				
Housing properties	6		<u>847,818</u>	<u>-</u>
<b>Current assets</b>				
Stock	7	84,766	-	-
Debtors	8	4,686	-	-
Cash at bank and in hand		<u>857,123</u>	<u>-</u>	<u>-</u>
		946,575	-	-
<b>Creditors: Amounts falling due within one year</b>	9	<u>(262,684)</u>	<u>(32,946)</u>	
<b>Net current assets</b>			<u>683,891</u>	<u>(32,946)</u>
<b>Total assets less current liabilities</b>			<u>1,531,709</u>	<u>(32,946)</u>
<b>Creditors: Amounts falling due after more than one year</b>	10	-	-	<u>(20,101)</u>
			<u>1,531,709</u>	<u>(53,047)</u>
<b>Capital and reserves</b>				
Share capital	12	1,550,000	1	
Profit and loss account	13	<u>(18,291)</u>	<u>(53,048)</u>	
			<u>1,531,709</u>	<u>(53,047)</u>
<b>Shareholders' funds</b>			<u>1,531,709</u>	<u>(53,047)</u>

These accounts were approved by the Board of Management and authorised for issue on 26 March 2015 and are signed on their behalf by:

  
 .....  
 Nicholas M F Jopling  
 Director

The notes on pages 10 to 16 form part of these financial statements.

# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

### 1. Accounting policies

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis in accordance with applicable Accounting Standards in the United Kingdom, the Accounting Direction for Social Housing 2012 and the Statement of Recommended Practice Accounting by Registered Social Landlords, Update 2010.

#### 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.

#### Turnover

Turnover represents rental income and sale proceeds of trading properties. Sales of properties are only accounted for when the cash proceeds are received in full or the company has entered into a legally binding contract.

#### Housing properties, fixed assets and depreciation

Housing properties are stated at cost.

Major components of housing properties, such as the internal fittings and heating components, have been accounted for and depreciated separately from the housing structure, over their expected useful economic lives.

Depreciation is charged on a straight line basis at rates anticipated to write off the cost of the asset over the expected useful economic lives of the assets as follows:

Land	Not depreciated
Housing properties	
Main fabric	100 years
Roof	50 years
Windows & Doors	30 years
Kitchens	20 years
Bathrooms	25 years
Heating	
Boilers	20 years
Other fixed assets	
Electrics / mechanical systems and lifts	40 years

The useful economic lives of all tangible fixed assets are reviewed annually.

#### Stock

Stock comprises the first tranche percentage of shared ownership properties that are available for sale at the balance sheet date, in accordance with the Statement of Recommended Practice Accounting by Registered Social Landlords, Update 2010. These are shown in the financial statements at the lower of cost to the company and net realisable value. Cost to the company includes legal and surveying charges incurred during acquisition. Net realisable value is the net sales proceeds which the company expects on the sale of the first tranche of the property.

# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

---

### 1. Accounting policies *(continued)*

#### **Deferred tax**

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.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

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.

# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

### 2. Turnover, cost of sales, administrative expenses and operating profit for the year

	2014				2013			
	Turnover	Cost of sales	Administrative expenses	Operating profit / (loss)	Turnover	Cost of sales	Administrative expenses	Operating profit / (loss)
	£	£	£	£	£	£	£	£
<u>Income and expenditure from social housing properties</u>	<u>456,825</u>	<u>(228,741)</u>	<u>(182,916)</u>	<u>45,168</u>	-	-	<u>(69,344)</u>	<u>(69,344)</u>
<u>Income from social housing lettings</u>								
Rents				36,825				-
Service charges				-				-
Gross rents receivable				36,825				-
Less: Rent losses from voids				-				-
Net rents receivable				36,825				-
<u>Income from shared ownership properties</u>								
Sales				420,000				-
<u>Total income from housing lettings and sales</u>				<u>456,825</u>				<u>-</u>
<u>Expenditure on social housing activities Housing accommodation (15 units)</u>								
Property operating expenses				16,282				-
Property book cost of sales				208,204				-
Property disposal fees				4,255				-
Cost of sales				228,741				-
Abortive purchase fees				6,000				-
Depreciation on housing properties				2,155				-
Speculative development costs				13,230				-
Irrecoverable VAT				4,526				2,142
Intercompany management charges				91,654				-
Consultancy fees				40,962				35,087
Recruitment fees				-				10,422
Marketing literature				780				-
Board meeting costs				555				115
Compliance costs				-				283
Travel and subsistence				-				856
Directors fees				22,002				20,000
Directors NI contributions				318				439
Bank charges				734				-
Administrative expenses				182,916				-
<u>Total expenditure on social housing lettings and sales</u>				<u>411,657</u>				<u>69,344</u>
<u>Operating profit / (loss)</u>				<u>45,168</u>				<u>(69,344)</u>

# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

### 3. Operating profit

Operating profit is stated after charging:

	2014 £	2013 £
Depreciation on housing properties	2,155	-
Auditors remuneration	-	-

Audit fees are statutory audit fees only and are borne by another group company.

### 4. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services were:

	2014 £	2013 £
Remuneration receivable	22,002	20,000
Social security costs	318	439
	<u>22,320</u>	<u>20,439</u>

The remuneration of Deborah Shackleton, Calum Mercer, and Gina Amoh paid by Grainger Trust Limited totalled £22,002. In addition to their directorship of Grainger Trust Limited, John Beresford, Laure Duhot and Nicholas Jopling are directors/employees of other group companies and their remuneration was borne by another group company.

### 5. Taxation

#### (a) Analysis of charge in the year

	2014 £	2013 £
Current tax:		
UK Corporation tax based on the results for the year at 22% (2013 – 23.5%)	10,411	(16,296)
	<u>10,411</u>	<u>(16,296)</u>

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

# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

### 5. Taxation (continued)

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 22% (2013 - 23.50%).

	2014 £	2013 £
Profit / (loss) on ordinary activities before taxation	<u>45,168</u>	<u>(69,344)</u>
Profit on ordinary activities by rate of tax	9,937	(16,296)
Expenses not deductible for tax purposes	<u>474</u>	-
Total current tax (note 5(a))	<u>10,411</u>	<u>(16,296)</u>

#### (c) Factors that may affect future tax charges

No provisions have been made for tax that would become payable if the company's properties were sold at their year end replacement values. The total unprovided deferred tax in respect of this is £24,247 (2013: £Nil).

There are no other factors that are expected to significantly affect the taxation charge in future years.

### 6. Tangible fixed assets

	Housing Properties £
<b>Cost or valuation</b>	
At 1 October 2013	-
Additions	<u>849,973</u>
<b>At 30 September 2014</b>	<u>849,973</u>
<b>Depreciation</b>	
At 1 October 2013	-
Charge in the year	<u>2,155</u>
<b>At 30 September 2014</b>	<u>2,155</u>
<b>Net book value</b>	
<b>At 30 September 2014</b>	<u>847,818</u>
At 30 September 2013	<u>-</u>



# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

### 7. Stocks

	2014 £	2013 £
Trading properties	<u>84,766</u>	<u>-</u>

The replacement value of stock (sale at market value of the property subject to occupation by a resident) is £206,000 (2013: £Nil) based on market value at 30 September 2014.

Stock is stated in the balance sheet at the lower of cost and net realisable value. Net realisable value is the net sales proceeds which the company expects on the sale of a property with vacant possession. The directors have reviewed the vacant possession valuations of the properties. They concluded that there was no provision necessary against the carrying value of stock.

### 8. Debtors

	2014 £	2013 £
Trade debtors	66	-
Other debtors	<u>4,620</u>	<u>-</u>
	<u>4,686</u>	<u>-</u>

### 9. Creditors: Amounts falling due within one year

	2014 £	2013 £
Amounts owed to group undertakings	253,834	-
Accruals and deferred income	1,470	-
Trade creditors	-	12,507
Other creditors	<u>7,380</u>	<u>20,439</u>
	<u>262,684</u>	<u>32,946</u>

The amount owed to group undertakings is unsecured, is repayable on demand, and does not bear interest.

### 10. Creditors: Amounts falling due after more than one year

	2014 £	2013 £
Amounts owed to group undertakings	<u>-</u>	<u>20,101</u>

The amount owed to group undertakings was unsecured, repayable on demand, and did not bear interest.

### 11. 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.

# Grainger Trust Limited

## Notes to the financial statements

Year ended 30 September 2014

### 12. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£	No	£
Ordinary shares of £1 each	<u>1,550,000</u>	<u>1,550,000</u>	<u>1</u>	<u>1</u>

On the 14 February 2014 the company increased its share capital by 799,999 ordinary £1 shares and on 25 February 2014 the company increased its share capital by 750,000 ordinary £1 shares. Grainger Housing & Developments Limited acquired 100% of the new shares at par. The shares have full voting, dividend and capital distribution rights.

### 13. Profit and loss account

	2014	2013
	£	£
Balance brought forward	(53,048)	-
Profit/(loss) for the year	<u>34,757</u>	<u>(53,048)</u>
Balance carried forward	<u>(18,291)</u>	<u>(53,048)</u>

### 14. Capital commitments

	2014	2013
	£	£
Capital expenditure that has been contracted for but has not been provided for in the financial statements	<u>21,583,000</u>	<u>-</u>

### 15. Legislative provisions

The Company is registered under the Homes & Communities Agency (HCA) (registration 4743).

### 16. Ultimate controlling party

The Members of the Board of Management 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 Housing & Developments Limited is the immediate controlling party and parent company by virtue of its 100% shareholding in the company.