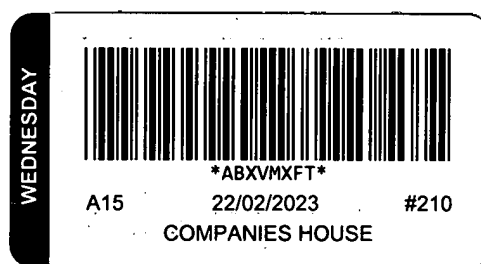


**Registered number: 07836733**

**TOWER REGENERATION LEASING  
LIMITED**

**Annual report and financial statements**

**For the year ended 31 May 2022**



# **TOWER REGENERATION LEASING LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2022**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and Professional Advisers</b>	<b>1</b>
<b>Directors' Report</b>	<b>2</b>
<b>Statement of Directors' Responsibilities in respect of the Financial Statements</b>	<b>3</b>
<b>Independent Auditors' Report</b>	<b>4</b>
<b>Profit and Loss Account</b>	<b>7</b>
<b>Balance Sheet</b>	<b>8</b>
<b>Statement of Changes in Equity</b>	<b>9</b>
<b>Notes to the Financial Statements</b>	<b>10</b>

# **TOWER REGENERATION LEASING LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

### **DIRECTORS**

G N Davies  
C Philpotts  
T O'Sullivan  
A Shott (with effect until 9 June 2021)  
W Thomas  
D R Anderson  
G M Liggins (resigned 8 July 2022)

### **REGISTERED OFFICE**

West Terrace  
Esh Winning  
Durham  
DH7 9PT

### **BANKERS**

Santander UK plc  
58/60 Briggate  
Leeds  
LS1 6AS

### **SOLICITORS**

Swinburne Maddison LLP  
Venture House  
Aykley Heads Business Centre  
Durham  
DH1 5TS

### **INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Central Square South  
Orchard Street  
Newcastle upon Tyne  
NE1 3AZ

## **TOWER REGENERATION LEASING LIMITED**

### **DIRECTORS' REPORT**

The directors present their annual report on the affairs of Tower Regeneration Leasing Limited ('the company') for the year ended 31 May 2022. These financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102. The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company was the sale of yellow plant and machinery. Having disposed of its remaining owned plant and machinery in the prior year, the company is no longer trading.

### **RESULTS**

The result for the year before taxation amounted to £nil (2021 – loss of £44,000).

The balance sheet shows a net liabilities position of £1,581,000 (2021 – net liabilities of £1,581,000).

### **DIVIDENDS**

No dividend has been paid or is proposed for the current financial year (2021 - £nil).

### **GOING CONCERN**

The activities and future of the Company are inherently linked to those of its immediate parent company, Tower Regeneration Limited. During the year ended 31 May 2017 the directors took the decision to cease trading following movement by Tower Regeneration Limited into the restoration phase of the project to restore the land to the condition agreed between the council and the entity, as management do not deem the restoration to be a trading activity. Accordingly, the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements. Following the completion of restoration, an aftercare regime will be established for the site whilst the Company evaluates opportunities for an orderly disposal of any remaining assets. As a result, the directors expect to continue presenting the financial statements on a non-going concern basis for a number of years.

### **DIRECTORS**

The directors of the company, who served during the year and subsequently, unless otherwise stated, are as shown on page 1.

### **INDEPENDENT AUDITORS**

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all the steps that they ought to have taken as a director 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.

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

In preparing this report, the directors have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006. The directors have also taken advantage of small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a Strategic Report. Approved by the Board of Directors and signed on behalf of the Board:



D R Anderson  
Director

Date: 24 October 2022

# **TOWER REGENERATION LEASING LIMITED**

## **DIRECTORS' REPORT**

### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and Financial Statements and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

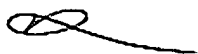
The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

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



D R Anderson  
Director  
Date: **24 October 2022**

## **TOWER REGENERATION LEASING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWER REGENERATION LEASING LIMITED**

# **Report on the audit of the financial statements**

## **Opinion**

In our opinion, Tower Regeneration Leasing Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 May 2022; the Profit and Loss Account and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## **Emphasis of matter - financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## **TOWER REGENERATION LEASING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWER REGENERATION LEASING LIMITED**

#### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 May 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of directors' responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

##### **Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to the profit and loss account, or through management bias in manipulation of accounting estimates. Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance around actual and potential litigation claims;
- Review minutes of meetings of those charged with governance;
- Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Identifying and testing journal entries, in particular any journal entries with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of this report**

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.

## **TOWER REGENERATION LEASING LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOWER REGENERATION LEASING LIMITED**

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

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.



Mark Dawson (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
24 October 2022



# TOWER REGENERATION LEASING LIMITED

## PROFIT AND LOSS ACCOUNT

For the Year Ended 31 May 2022

	Note	2022 £'000	2021 £'000
<b>GROSS RESULT</b>		-	-
Administrative expenses		-	-
Loss on asset disposal	6	-	(44)
<b>OPERATING RESULT/ (LOSS)</b>	3	-	(44)
Finance costs		-	-
<b>RESULT/ (LOSS) BEFORE TAXATION</b>		-	(44)
Tax on Result/ loss	5	-	64
<b>RESULT / PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE RESULT/ PROFIT</b>		-	20

The results for both the current and the prior financial year were derived from the discontinued operations of the company.

The accompanying notes form part of these financial statements.

# TOWER REGENERATION LEASING LIMITED

## BALANCE SHEET

As at 31 May 2022

	Note	2022 £'000	2021 £'000
<b>FIXED ASSETS</b>			
Tangible assets	6	-	-
<b>CURRENT ASSETS</b>			
Debtors	7	-	-
Cash at bank and in hand		1	1
		<u>1</u>	<u>1</u>
<b>CREDITORS: amounts falling due within one year</b>	8	(1,582)	(1,582)
<b>NET CURRENT LIABILITIES</b>		<u>(1,581)</u>	<u>(1,581)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		(1,581)	(1,581)
<b>PROVISIONS FOR LIABILITIES</b>	9	-	-
<b>NET LIABILITIES</b>		<u>(1,581)</u>	<u>(1,581)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	-	-
Profit and loss account	11	(1,581)	(1,581)
		<u>(1,581)</u>	<u>(1,581)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under Companies Act 2006, and therefore also the provisions of Section 1A of FRS 102.

The accompanying notes form part of these financial statements.

The financial statements of Tower Regeneration Leasing Limited, registered number 07836733, were approved by the Board of Directors and authorised for issue on the date below.

Signed on behalf of the Board of Directors



D R Anderson

Director

Date: 24 October 2022

## TOWER REGENERATION LEASING LIMITED

### STATEMENT OF CHANGES IN EQUITY For the Year Ended 31 May 2022

	Called up share capital £'000	Profit and loss account £'000
<b>At 1 June 2020</b>	-	(1,601)
Loss for the financial year and total comprehensive loss	-	20
	<hr/>	<hr/>
<b>At 31 May 2021</b>	-	(1,581)
Result for the financial year and total comprehensive Result	-	-
	<hr/>	<hr/>
<b>At 31 May 2022</b>	<hr/> <hr/>	<hr/> <hr/>

The accompanying notes form part of these financial statements.

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

##### *a. General information and basis of accounting*

Tower Regeneration Leasing Limited is a company incorporated in the United Kingdom under the Companies Act 2006.

The company is a private company limited by shares and is registered in England. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

In these financial statements, the company has applied the exemptions available under FRS 102 1A in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions within a wholly owned group;
- Disclosures in respect of capital management;
- The effects of new but not yet effective accounting standards;
- Disclosures in respect of the compensation of Key Management Personnel;

As the consolidated financial statements of Tower Regeneration Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS102 in respect of financial instrument disclosures.

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

##### *b. Going concern*

The activities and future of the Company are inherently linked to those of its immediate parent company, Tower Regeneration Limited. During the year ended 31 May 2017 the directors took the decision to cease trading following movement by Tower Regeneration Limited into the restoration phase of the project to restore the land to the condition agreed between the council and the entity, as management do not deem the restoration to be a trading activity.

Accordingly, the directors have not prepared the financial statements on a going concern basis. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements. Following the completion of restoration, an aftercare regime will be established for the site whilst the Company evaluates opportunities for an orderly disposal of any remaining assets. As a result, the directors expect to continue presenting the financial statements on a non-going concern basis for a number of years.

##### *c. Tangible fixed assets*

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and machinery                      -                      8 years

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 1. ACCOUNTING POLICIES (continued)

##### d. *Financial instruments*

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### (i) *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when, there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

Debt instruments that have no stated interest rate (and do not constitute a financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 1. ACCOUNTING POLICIES (continued)

##### d. Financial instruments (continued)

###### (i) Financial assets and liabilities (continued)

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

###### (ii) Equity instruments

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

##### e. Taxation

Current tax, including UK corporation tax and foreign 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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as 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 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 of deferred tax liabilities and assets reflecting 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 recognised 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.

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 1. ACCOUNTING POLICIES (continued)

##### *f. Turnover*

Turnover represents income received in the ordinary course of business for services provided and excludes value added tax. Revenue is recognised on a straight-line basis over the term of the relevant lease.

#### 2. CRITICAL ACCOUNTING JUDGEMENTS

In the application of the company's accounting policies, which are described in note 1, 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.

The directors do not consider there to be any critical accounting judgements or estimates which have an impact on the financial statements of Tower Regeneration Leasing Limited.

#### 3. OPERATING LOSS

	2022	2021
	£'000	£'000
This is stated after charging:		
Loss on asset disposal	-	44

Auditors' remuneration for audit services relating to the audit of the financial statements of £6,000 (2021 - £6,000) was borne by a fellow group company during the period.

#### 4. EMPLOYEES AND DIRECTORS

The directors were the only employees of the company during the current financial year and the prior financial year. They received no remuneration for their services to this company during either year; their remuneration is provided by the two parent companies of the intermediate parent company Tower Regeneration Limited.

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 5. TAX ON RESULT/ LOSS

	2022 £'000	2021 £'000
United Kingdom corporation tax:		
UK corporation tax at 19% (2021 – 19%)	-	-
Group relief receivable	-	-
Adjustment for prior year group relief	-	-
	<u>          </u>	<u>          </u>
<b>Total current tax debit</b>	<u>          </u>	<u>          </u>
<b>Deferred tax</b>		
Origination and reversal of temporary timing differences	-	(64)
	<u>          </u>	<u>          </u>
<b>Total credit on Result/ (loss)</b>	<u>          </u>	<u>          </u>

The difference between the total tax credit shown above and the amount calculated by applying the blended rate of UK corporation tax to the loss before tax is as follows:

	2022 £'000	2021 £'000
Result/ (Loss) before tax	<u>          </u>	<u>          </u>
	-	(44)
Tax on Result/ (loss) at standard UK corporation tax rate of 19% (2021 - 19%)	-	(8)
Effects of:		
Current tax prior year adjustment	-	-
Effect of tax rate change	-	-
Other tax adjustments, reliefs, and transfers	-	(56)
Deferred tax asset on losses not recognised	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>
<b>Total tax credit for financial year</b>	<u>          </u>	<u>          </u>

#### *Factors that may affect future tax expenses*

The rate of tax for the current and prior year was 19%. Following the March 2021 budget, the corporate tax rate will increase from 19% to 25% with effect from 1 April 2025. The deferred tax balances have been calculated based on the rate substantively enacted at the balance sheet date of 25%.



## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 6. TANGIBLE ASSETS

	Plant and machinery £'000
<b>Cost</b>	
At 1 June 2021	-
Disposals	-
	<hr/>
At 31 May 2022	-
	<hr/>
<b>Accumulated depreciation</b>	
At 1 June 2021	-
Charge for the year	-
Impairment	-
Eliminated on disposal	-
	<hr/>
At 31 May 2022	-
	<hr/>
<b>Net book value</b>	
At 31 May 2022	-
	<hr/> <hr/>
At 31 May 2021	-
	<hr/> <hr/>

The above plant & machinery are assumed to be held at their residual value and as a result, no depreciation has been charged during the year.

Disposals of plant & machinery during the year generated disposal proceeds of £nil (2021: £286,000).

#### 7. DEBTORS

	2022 £'000	2021 £'000
Amounts owed by parent company	-	-
Amounts owed by related parties	-	-
	<hr/>	<hr/>
	-	-
	<hr/> <hr/>	<hr/> <hr/>

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £'000	2021 £'000
Accruals	3	13
Amounts owed to related party	1,579	1,569
	<u>1,582</u>	<u>1,582</u>

Amounts owed to related party accrue no interest and are repayable on demand.

#### 9. PROVISIONS FOR LIABILITIES

	2022 £'000	2021 £'000
<b>Deferred tax</b>		
At the beginning of the year	-	63
Credited to profit and loss account	-	(63)
	<u>-</u>	<u>-</u>
At the end of the year	-	-
	<u>-</u>	<u>-</u>
Deferred tax is provided as follows:	2022 £'000	2021 £'000
Accelerated capital allowances	-	-
	<u>-</u>	<u>-</u>

## TOWER REGENERATION LEASING LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 2022

#### 10. CAPITAL COMMITMENTS

The total value of capital commitments at 31 May 2022 is £nil (2020 - £nil).

#### 11. CALLED UP SHARE CAPITAL AND PROFIT AND LOSS ACCOUNT

	2022 £	2021 £
Authorised, issued and fully paid		
1 (2021: 1) ordinary share of £1	1	1

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

#### 12. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The company is owned by Tower Regeneration Limited, a company incorporated in the United Kingdom. Tower Regeneration Limited is the parent of the smallest group of which the company is a member and for which group financial statements are drawn up.

The registered office for Tower Regeneration Limited is as follows: West Terrace, Esh Winning, Durham, DH7 9PT, United Kingdom.

Tower Regeneration Leasing Limited is 100% owned by Tower Regeneration Limited which is owned 50% by Forward Sound Limited, a 100% owned subsidiary of the Hargreaves Services Plc group; the remaining 50% is owned by Tower Colliery Limited, a 100% owned subsidiary of Goitre Tower Anthracite Limited. All entities are incorporated in the United Kingdom. There is, therefore, no ultimate controlling party.