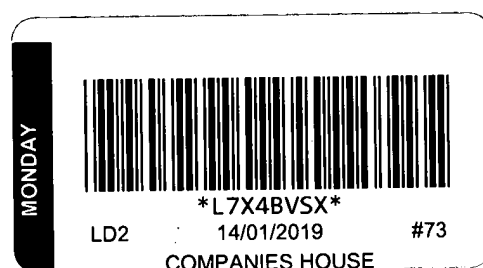


TEMPLE STUDIOS LIMITED
(registered number: 07936198)

Annual Report and financial statements
for the year ended 30 June 2018



Temple Studios Limited

Report of the directors for the year ended 30 June 2018 (registered number: 07936198)

The directors present their Annual Report and the audited financial statements of the company for the year ended 30 June 2018. The Report of the directors has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006. Accordingly, a strategic report has not been prepared.

Principal activities

The company's sale of the property in Leeds was completed on the 10 January 2018. All trading activities ceased after this.

Business review

The profit before taxation for the year was £31,000 (2017: loss £5,000). The profit after taxation of £31,000 (2017: loss £5,000) has been transferred to reserves. The results of the company for the year are set out in the statement of comprehensive income on page 7.

The value of the company's net liabilities at 30 June 2018 was £1.6m (2017: £1.6m). The financial position of the company is set out in the Balance sheet on page 8.

The directors are unable to recommend payment of a dividend (2017: same).

Principle risks and uncertainties

The directors do not consider there to be any risks or uncertainties relevant to the company.

Going concern

As a result of the company ceasing to trade on the 10 January 2018, the financial statements are prepared on a basis other than that of a going concern.

Temple Studios Limited

Report of the directors for the year ended 30 June 2018 (continued)
(registered number: 07936198)

Directors

The directors that held office during the year and up to the date of this report were as follows:

R J Hall
S Heycock
P L Peters
M Seal

Elective resolutions

The company has passed elective resolutions to dispense with the holding of annual general meetings and for the laying of the annual report and financial statements before the company in general meetings, until such time as the elections are revoked.

Statement to disclose information to the auditor

Each of the persons who are a director at the date of approval of this report confirms that:

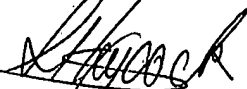
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is 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 has indicated their willingness to continue in office pursuant to section 487 of the Companies Act 2006.

By order of the board



S Heycock
Director
29 October 2018

Statement of directors' responsibilities

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:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and accounting estimates that are reasonable and prudent; and
- c) 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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TEMPLE STUDIOS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Temple Studios Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 June 2018 of its profit 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;
- the statement of accounting policies; and
- the related notes 1 to 9.

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.

Emphasis of matter – Financial statements prepared other than on a going concern basis

We draw attention to the statement of accounting policies in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of a going concern. Our opinion is not modified in respect of this matter.

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.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TEMPLE STUDIOS LIMITED
(continued)

Other information (continued)

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 report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of the directors has 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 report of the directors.

Temple Studios Limited

**INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF TEMPLE STUDIOS LIMITED
(continued)**

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; or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the report of the directors and from the requirement to prepare a strategic report.

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
12 November 2018

Temple Studios Limited

Statement of comprehensive income for the year ended 30 June 2018

	<i>Notes</i>	2018 £'000	2017 £'000
Turnover		<u>3</u>	<u>97</u>
Administrative expenses		<u>(80)</u>	<u>(102)</u>
Operating loss		(77)	(5)
Profit on disposal of fixed assets		<u>108</u>	<u>-</u>
Profit/(loss) before taxation	2	31	(5)
Taxation	3	<u>-</u>	<u>-</u>
Profit/(loss) and total comprehensive income/(expense) for the financial year		<u>31</u>	<u>(5)</u>

All profits relate to discontinued activities.

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

Temple Studios Limited

**Balance sheet as at 30 June 2018
(registered number: 07936198)**

	Notes	2018 £'000	2017 £'000
Fixed assets			
Investment Properties	4	-	-
Current assets			
Debtors	5	2	10
Creditors: amounts falling due within one year	6	(1,588)	(1,627)
Total assets less current liabilities		(1,586)	(1,617)
Net liabilities		(1,586)	(1,617)
Capital and reserves			
Share capital	7	-	-
Retained earnings		(1,586)	(1,617)
Total shareholders deficit		(1,586)	(1,617)

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

The financial statements on pages 7 to 16 were approved by the board of directors on 29 October 2018 and signed on its behalf by:


S Heycock
Director

Temple Studios Limited

Statement of changes in equity as at 30 June 2018

	Called up Share capital £'000	Retained earnings £'000	Total equity £'000
At 1 July 2016	-	(1,612)	(1,612)
Loss for the financial year and total comprehensive expense	-	(5)	(5)
At 1 July 2017	-	(1,617)	(1,617)
Profit for the financial year and total comprehensive income	-	31	31
At 30 June 2018	-	(1,586)	(1,586)

Temple Studios Limited

Notes to the financial statements for the year ended 30 June 2018

Statement of accounting policies

General information

Temple Studios Limited ("the company") is the holder of property for potential sale. The company is a private limited company, limited by shares and registered in England and Wales, United Kingdom. The company's registered office is 2nd Floor, 14 St George Street, London, United Kingdom, W1S 1FE. The financial statements have been prepared on a basis that the company is no longer a going concern as the company has ceased to trade.

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

Basis of accounting

The financial statements are prepared under the historical cost convention, modified to include the revaluation of freehold land and buildings and investment properties, and in accordance with the Companies Act 2006 and United Kingdom applicable accounting standards, which have been applied on a consistent basis with the previous year. The principal accounting policies are set out below.

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.

The accounts are drawn up to the Saturday nearest to 30 June, or to 30 June where this falls on a Saturday.

Going concern

As a result of the company ceasing to trade, following the sale of its remaining property on the 10 January 2018, the financial statements are prepared on a basis other than that of a going concern. No adjustments arose as a result of ceasing to apply the going concern basis. The financial statements do not include any provision for the future costs of terminating the operations of the company as these were deemed to not be material. The company continues to enjoy the support of its parent, so the directors deemed no impairment of trade creditors or debtors is required and all potential obligations can be met.

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.

Notes to the financial statements for the year ended 30 June 2018 (continued)

Statement of accounting policies (continued)

Investment properties

Investment properties for which fair value can be measured reliably without undue cost or effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account.

Turnover

Turnover which excludes value added tax comprises the company's rental income from the operation of its portfolio of properties. Turnover is recognised for rental and option fee income earned on a straight line basis over the lease term. All turnover has been realised in the United Kingdom.

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 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.

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.

Notes to the financial statements for the year ended 30 June 2018 (continued)

Statement of accounting policies (continued)

Financial instruments

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

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.

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.

Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

Notes to the financial statements for the year ended 30 June 2018 (continued)

Statement of accounting policies (continued)

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 directors do not consider there to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

1. Employees and directors

The company had no employees, other than the directors, during the year (2017: same).

The directors received total remuneration of £439K (2017: £282k) 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 (2017: same).

2. Profit/(loss) before tax

Profit/(loss) before taxation is stated after charging:

	2018 £'000	2017 £'000
Audit of the financial statements	1	1

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

Notes to the financial statements for the year ended 30 June 2018 (continued)

3. Taxation

	2018 £'000	2017 £'000
Total current tax	-	-
Deferred taxation movement	-	-
Tax on profit/loss	-	-

There is no tax charge in either year. The current tax charge assessed for the year is different to the standard rate of corporation tax in the UK at 19.0% (2017: 19.8%). The differences are explained below:

	2018 £'000	2017 £'000
Profit/(loss) before tax	31	(5)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19.0% (2017: 19.8%)	6	(1)
Effects of:		
Chargeable gains	4	-
Group relief losses (received)/surrendered for nil consideration	(10)	1
Current tax for the year	-	-

The main rate of corporation reduced to 19% with effect from 1 April 2017, the Government has announced that it intends to reduce the rate of corporation tax to 17% with effect from 1 April 2020. The 17% main rate of corporation tax was set by the Finance Act 2017 which received Royal Assent on 15 September 2017.

Notes to the financial statements for the year ended 30 June 2018 (continued)

4. Investment Property

	£
Valuation	
At 1 July 2017	1
Disposal	(1)
At 30 June 2018	<u>-</u>
At 30 June 2017	<u>1</u>

The company's freehold land and buildings and investment properties were valued at 30 June 2016 on an existing use basis or open market value basis by a RICS qualified external valuer. The valuations were updated by the directors as at 30 June 2017. Revaluations are carried out by internal RICS qualified valuers at least every year and by RICS qualified external valuers at least every five years.

The company's site at Leeds was disposed of on 10 January 2018 with a profit on disposal of £108,000.

5. Debtors: amounts falling due within one year

	2018 £'000	2017 £'000
Other debtors	2	9
Prepayments	-	1
	<u>2</u>	<u>10</u>

6. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed to group undertakings	1,570	1,605
Trade creditors	16	-
Accruals and deferred income	2	22
	<u>1,588</u>	<u>1,627</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Temple Studios Limited

Notes to the financial statements for the year ended 30 June 2018 (continued)

7. Share capital

	2018 £	2017 £
Authorised:		
1 (2017: 1) ordinary share of £1	1	1
	<hr/>	<hr/>
Allotted, issued and unpaid:		
1 (2017: 1) ordinary share of £1	1	1
	<hr/>	<hr/>

8. Related party transactions

At 30 June 2018 the company was controlled by its immediate holding company Arndale Properties Limited, and 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 group or are disclosed in the Shop Direct Holdings Limited group's financial statements.

9. Ultimate controlling party

The immediate holding company is Arndale Properties Limited, a company registered in England and Wales.

The smallest group into which the results of the company are consolidated is Trenport Property Holdings Limited, a company registered in England and Wales. The largest group into which the results of the company are consolidated is the financial statements of Shop Direct Holdings Limited, a company registered in England and Wales, which the directors regard as being ultimately controlled by the Sir David Barclay and Sir Fredrick Barclay Family Settlements. The financial statements of Shop Direct Holdings Limited and Trenport Property 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.