

COMPANY REGISTRATION NUMBER: 4278621

Tricomm Housing (Holdings) Limited
Financial statements
30 September 2023

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Tricomm Housing (Holdings) Limited

Financial statements

Year ended 30 September 2023

Contents	Pages
Officers and professional advisers	1
Directors' report	2 to 3
Independent auditor's report to the members of Tricomm Housing (Holdings) Limited	4 to 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Notes to the financial statements	11 to 15

Tricomm Housing (Holdings) Limited

Officers and professional advisers

The board of directors

Helen C Gordon
Adam McGhin
Rob J Hudson

Company secretary

Adam McGhin

Registered office

Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Auditor

KPMG LLP
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

Banker

Barclays Bank plc
5 St Ann's Street
Quayside
Newcastle upon Tyne
NE1 2BH

Solicitor

Womble Bond Dickinson (UK) LLP
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE1 3DX

Tricomm Housing (Holdings) Limited

Directors' report

Year ended 30 September 2023

The directors present their report and the financial statements of the company for the year ended 30 September 2023.

Principal activities

The principal activity of the company during the year was that of an investment company. The directors do not recommend the payment of a dividend (2022: £nil).

Directors

The directors who served the company during the year, and subsequent to the year end, were as follows:

Helen C Gordon
Adam McGhin
Rob J Hudson

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 *Reduced Disclosure Framework*. 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 the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Tricomm Housing (Holdings) Limited

Directors' report *(continued)*

Year ended 30 September 2023

Auditor

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

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all 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 auditor is aware of that information.

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

Small company provisions

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

This report was approved by the board of directors on 12 January 2024 and signed on behalf of the board by:



Adam McGhin
Company Secretary

Independent auditor's report to the members of Tricomm Housing (Holdings) Limited

Opinion

We have audited the financial statements of Tricomm Housing (Holdings) Limited ("the company") for the year ended 30 September 2023 which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2023 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Independent auditor's report to the members of Tricomm Housing (Holdings) Limited (continued)

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors and inspection of policy documentation as to Grainger plc's high-level policies and procedures to prevent and detect fraud that apply to this group company.
- enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent auditor's report to the members of Tricomm Housing (Holdings) Limited (continued)

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you 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 from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Tricomm Housing (Holdings) Limited (continued)

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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 auditors' 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.

Dan Gibson

Dan Gibson (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX
19 January 2024

Tricomm Housing (Holdings) Limited

Statement of comprehensive income

Year ended 30 September 2023

	Note	2023 £	2022 £
Interest receivable and similar income	5	1,009,227	1,009,227
Interest payable and similar expenses	6	<u>(1,009,227)</u>	<u>(1,009,227)</u>
Profit before taxation		-	-
Tax on profit		-	-
Result for the financial year and total comprehensive income		<u>-</u>	<u>-</u>

All the activities of the company are from continuing operations.

The notes on pages 11 to 15 form part of these financial statements.

Tricomm Housing (Holdings) Limited

Statement of financial position

30 September 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	7	9,399,998	9,399,998
Current assets			
Debtors	8	424,208	424,208
Net current assets		<u>424,208</u>	<u>424,208</u>
Total assets less current liabilities		9,824,206	9,824,206
Creditors: amounts falling due after more than one year	9	(9,624,208)	(9,624,208)
Net assets		<u>199,998</u>	<u>199,998</u>
Capital and reserves			
Called up share capital	10	199,998	199,998
Shareholders' funds		<u>199,998</u>	<u>199,998</u>

These financial statements were approved by the board of directors and authorised for issue on 12 January 2024, and are signed on behalf of the board by:



Adam McGhin
Director

Company registration number: 4278621

The notes on pages 11 to 15 form part of these financial statements.

Tricomm Housing (Holdings) Limited

Statement of changes in equity

Year ended 30 September 2023

	Called up share capital £	Profit and loss account £	Total £
At 1 October 2021	199,998	–	199,998
Result for the year	–	–	–
At 30 September 2022	199,998	–	199,998
Result for the year	–	–	–
At 30 September 2023	<u>199,998</u>	<u>–</u>	<u>199,998</u>

The notes on pages 11 to 15 form part of these financial statements.

Tricomm Housing (Holdings) Limited

Notes to the financial statements

Year ended 30 September 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

2. Statement of compliance

The financial statements of Tricomm Housing (Holdings) Limited ("the company") for the year ended 30 September 2023 were authorised for issue by the board of directors on 12 January 2024 and the statement of financial position was signed on the board's behalf by Adam McGhin.

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The company's ultimate parent undertaking, Grainger plc, includes the company in its consolidated financial statements. The consolidated financial statements of Grainger plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards.

The financial statements are prepared on the going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, which have been applied consistently throughout the year.

Tricomm Housing (Holdings) Limited

Notes to the financial statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company has net assets of £199,998 at 30 September 2023. The company is a subsidiary of Grainger plc. The directors of Grainger plc, the ultimate parent undertaking, manage the group's strategy and risks on a consolidated basis, rather than at an individual entity level. Similarly, the financial and operating performance of the business is assessed at a Grainger plc operating segment level. For these reasons, the directors do not prepare cash flow forecasts at an individual entity level.

On a consolidated basis, the Group has assessed its future funding commitments and compared these to the level of committed loan facilities and cash resources over the medium term. In making this assessment, consideration has been given to compliance with borrowing covenants along with the uncertainty inherent in future financial forecasts and, where applicable, severe sensitivities have been applied to the key factors affecting financial performance of the Group. The assessment includes the potential impact of reduced PRS occupancy, contraction in rental levels, reduced property valuations, cost inflation and changes in interest rates. The Directors of the Group have a reasonable expectation that it has adequate resources to continue operating for the foreseeable future period, and not less than 12 months from the date of approval of these financial statements.

Grainger plc has indicated that it will make available such funds as are needed by the entity and that it does not intend to seek repayment of amounts due at the balance sheet date for the foreseeable future. As with any entity placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so. The directors do not intend to nor have they identified any circumstances which may lead to the entity being liquidated or to cease operating.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Tricomm Housing (Holdings) Limited

Notes to the financial statements *(continued)*

Year ended 30 September 2023

3. Accounting policies *(continued)*

Disclosure exemptions

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- (a) Cash flow statement and related notes;
- (b) Comparative period reconciliations for share capital;
- (c) Disclosures in respect of transactions with wholly owned subsidiaries;
- (d) Disclosures in respect of capital management;
- (e) The effects of new but not yet effective IFRSs;
- (f) Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Grainger plc include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments: Disclosures.

The company has considered the impact of the adoption of those new and revised International Financial Reporting Standards and interpretations that were effective for the first time from 1 October 2022. There has been no material impact on the company following the adoption of these standards.

Investments

Fixed asset investments are stated at cost less any provisions for diminution in value. An impairment loss is recognised for the amount by which the carrying value of the investment exceeds its recoverable amount.

Group accounts

The financial statements contain information about Tricomm Housing (Holdings) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of the ultimate parent company, Grainger plc, a company registered in in England and Wales.

Non-derivative financial instruments

Non-derivative financial instruments comprise loans and borrowings.

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make significant judgements, estimates and assumptions that affect the amounts reported. The directors have considered whether there are any such sources of estimation or critical accounting judgements in preparing the financial statements and do not consider there to be any for the purposes of disclosure.

Tricomm Housing (Holdings) Limited

Notes to the financial statements (continued)

Year ended 30 September 2023

4. Operating profit

Audit fees of £4,300 (2022: £4,300) are statutory audit fees only and are borne by another group company.

There are no persons holding service contracts with the company (2022: none). None of the directors received any remuneration from the company during the year, or in the previous year, in respect of their services to the company.

5. Interest receivable and similar income

	2023 £	2022 £
Interest from group undertakings	<u>1,009,227</u>	<u>1,009,227</u>

6. Interest payable and similar expenses

	2023 £	2022 £
Interest due to group undertakings	<u>1,009,227</u>	<u>1,009,227</u>

7. Investments

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 October 2022 and 30 September 2023	<u>199,998</u>	<u>9,200,000</u>	<u>9,399,998</u>
Impairment			
At 1 October 2022 and 30 September 2023	<u>-</u>	<u>-</u>	<u>-</u>
Carrying amount			
At 30 September 2023	<u>199,998</u>	<u>9,200,000</u>	<u>9,399,998</u>
At 30 September 2022	<u>199,998</u>	<u>9,200,000</u>	<u>9,399,998</u>

The company owns 100% of the issued share capital of Tricomm Housing Limited, a property investment company. The registered office of Tricomm Housing Limited is Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

The loan to group undertakings of £9,200,000 (2022: £9,200,000) bears interest at 11% and is repayable in 2028.

8. Debtors

	2023 £	2022 £
Amounts owed by group undertakings	<u>424,208</u>	<u>424,208</u>

Tricomm Housing (Holdings) Limited

Notes to the financial statements (continued)

Year ended 30 September 2023

8. Debtors (continued)

The amount owed by group undertakings is unsecured, is repayable on demand but is not expected to be repaid within the next 12 months, and does not bear interest.

9. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Amounts owed to group undertakings	<u>9,624,208</u>	<u>9,624,208</u>

Amounts owed to group undertakings consists of a loan with a principal amount of £9,200,000 (2022: £9,200,000) and accrued interest of £424,208 (2022: £424,208). The loan bears interest at 11% and is repayable in 2028.

10. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary "A" shares of £1 each	66,666	66,666	66,666	66,666
Ordinary "B" shares of £1 each	66,666	66,666	66,666	66,666
Ordinary "C" shares of £1 each	66,666	66,666	66,666	66,666
	<u>199,998</u>	<u>199,998</u>	<u>199,998</u>	<u>199,998</u>

All shares rank pari passu in all respects.

11. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

12. Related party transactions

The company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Grainger plc group.

13. Ultimate parent undertaking and controlling party

The directors 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.

HI Tricomm Holdings Limited is the immediate controlling party and parent company by virtue of its majority shareholding in the company.