
TRIMLANE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020

TRIMLANE LIMITED

COMPANY INFORMATION

Directors	S. Sheffield M Storey E Boyle
Company secretary	S Sheffield
Registered number	06204951
Registered office	Albert Yard 7 Glasshouse Walk London SE11 5ES
Independent auditors	WMT Chartered Accountants and Statutory Auditors Verulam Point Station Way St Albans Hertfordshire AL1 5HE

TRIMLANE LIMITED

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2020**

Introduction

The Directors present their report and the financial statements for the year ended 31 January 2020.

Business review

The principal activity of the Company is that of holding warehouse property. The Company operates as a subsidiary of Syon Art Limited, a holding company for the group. Martinspeed Limited, a fellow subsidiary company, is a specialist fine art distributor. The company has commenced building a new warehouse property at one of its sites in Hayes, London.

Principal risks and uncertainties

In the face of the Coronavirus crisis, the UK and global governments have taken measures to restrict movement and physical contact, creating circumstances that have had a sudden and dramatic impact on the art sector.

Since the pandemic began, we have been taking steps to protect our workforce and the business, including its cash flow so as to be able to maintain liquidity given that the current crisis is likely to last months. The steps taken include:

- Established home working for all office-based functions
- Cancelling or deferring all unnecessary spend
- Establishing supplier agreements to maintain payments and supply
- Driving down aged debt owed from customers.
- Deferring allowable payments
- Deferring all Shareholder dividend payments
- Established skeleton management and operational teams to handle urgent or emergency works
- Furlough all remaining staff ready to return to work as and when customer demand returns

As a result of these measures, we approach the crisis with a clear plan to maintain liquidity, limit the impact on reserves, but remain able to support our customers through the crisis and respond quickly once market activity resumes.

The process of risk management more generally is addressed through a framework of policies, procedures and internal controls. The policies are subject to Board approval, and compliance with regulatory, legal, ethical and moral standards is a high priority for the Company.

Competition - The Company operates in a highly competitive environment and as such it is influenced by the actions of competitors and clients. Discounting by current competitors or new entrants into the market could have a negative effect on profitability.

Liquidity risk - The Company manages its cash and borrowing requirements in order to minimise interest expense whilst ensuring the Company has sufficient liquid resources to meet operating needs.

Interest rate risk - The Company is exposed to interest rate risk on loans and mortgages.

Credit risk - The Company invests cash surpluses through banks and companies which fulfil credit rating criteria approved by the Board. Customers who wish to trade with the Company are subject to credit verification procedures.

Economic risk:

In addition to the unprecedented economic impacts already mentioned, the Board are mindful of the uncertainty around final exit arrangements following the UK's departure from the European Union. The Company has taken steps to protect itself from the possible effects of (i) above inflationary price increases, (ii) any foreseeable reduction in market size and customer failure, (iii) any disruption to transport logistics during transition periods.

TRIMLANE LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020

Financial key performance indicators

In the year to 31 January 2020 the company achieved an operating profit of £406k (2019: £445k), a decrease of £39k (2019: £252k) from the previous year. This was mainly due to one off receipt in the previous year. There was a positive cash flow of £109k (2019: negative cash flow of £129k) during the year.

The Company monitors its progress through close comparison of performance against budgeted profitability and cash flow.

This report was approved by the board and signed on its behalf.

S. Sheffield

Director

Date: 9 September 2020

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2020**

The Directors present their report and the financial statements for the year ended 31 January 2020.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

Results and dividends

The loss for the year, after taxation, amounted to £34,159 (2019 - profit £72,756).

The Directors do not recommend payment of an Ordinary dividend.

Directors

The Directors who served during the year were:

S. Sheffield
M Storey
E Boyle

Future developments

In the coming year the Company's objectives remain consistent: investment in good quality warehousing space.

The Company strives to limit its environmental impact to reduce its carbon emissions, using the latest technology practical and recycling where possible.

Qualifying third party indemnity provisions

There is an indirect provision for indemnity for the Directors of the Company and associated companies against a liability.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2020

Matters covered in the strategic report

The financial risk management objectives and policies of the Company and the exposure of the Company to price risk, credit risk, liquidity risk and cash flow risk are addressed in the Strategic Report.

Disclosure of information to auditors

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

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

Please see the Strategic Report and note 19 to these accounts regarding significant events affecting the Company since the year end.

Auditors

The auditors, WMT, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

S. Sheffield

Director

Date: 9 September 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRIMLANE LIMITED

Opinion

We have audited the financial statements of Trimlane Limited (the 'Company') for the year ended 31 January 2020, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 Auditors' 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 AUDITORS' REPORT TO THE MEMBERS OF TRIMLANE LIMITED (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 this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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 material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 3, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRIMLANE LIMITED (CONTINUED)

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

TRIMLANE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TRIMLANE LIMITED (CONTINUED)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Graham Wintle (Senior statutory auditor)

for and on behalf of

WMT

Chartered Accountants and Statutory Auditors

Verulam Point

Station Way

St Albans

Hertfordshire

AL1 5HE

9 September 2020

TRIMLANE LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2020

	Note	2020 £	2019 £
Turnover	4	745,680	745,680
Gross profit		<u>745,680</u>	<u>745,680</u>
Administrative expenses		(339,876)	(300,587)
Operating profit		<u>405,804</u>	<u>445,093</u>
Interest payable and expenses	7	(399,068)	(307,560)
Profit before tax		<u>6,736</u>	<u>137,533</u>
Tax on profit	8	(40,895)	(64,777)
(Loss)/profit for the financial year		<u>(34,159)</u>	<u>72,756</u>
Other comprehensive income for the year			
Total comprehensive income for the year		<u>(34,159)</u>	<u>72,756</u>

The notes on pages 14 to 27 form part of these financial statements.

TRIMLANE LIMITED
REGISTERED NUMBER: 06204951

BALANCE SHEET
AS AT 31 JANUARY 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	13,198,658	10,341,745
		<u>13,198,658</u>	<u>10,341,745</u>
Current assets			
Debtors: amounts falling due within one year	10	160,908	79,036
Cash at bank and in hand		116,581	7,972
		<u>277,489</u>	<u>87,008</u>
Creditors: amounts falling due within one year	11	(2,793,680)	(2,990,963)
Net current liabilities		<u>(2,516,191)</u>	<u>(2,903,955)</u>
Total assets less current liabilities		<u>10,682,467</u>	<u>7,437,790</u>
Creditors: amounts falling due after more than one year	12	(9,922,953)	(6,685,032)
Provisions for liabilities			
Deferred tax	15	(60,328)	(19,413)
		<u>(60,328)</u>	<u>(19,413)</u>
Net assets		<u><u>699,186</u></u>	<u><u>733,345</u></u>
Capital and reserves			
Called up share capital	16	10	10
Profit and loss account		699,176	733,335
		<u><u>699,186</u></u>	<u><u>733,345</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

S. Sheffield
Director

Date: 9 September 2020

The notes on pages 14 to 27 form part of these financial statements.

TRIMLANE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2020

	Called up share capital £	Profit and loss account £	Total equity £
At 1 February 2018	10	660,579	660,589
Comprehensive income for the year			
Profit for the year	-	72,756	72,756
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	72,756	72,756
Total transactions with owners	-	-	-
At 1 February 2019	10	733,335	733,345
Comprehensive income for the year			
Loss for the year	-	(34,159)	(34,159)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	-	(34,159)	(34,159)
Total transactions with owners	-	-	-
At 31 January 2020	10	699,176	699,186

The notes on pages 14 to 27 form part of these financial statements.

TRIMLANE LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	(34,159)	72,756
Adjustments for:		
Depreciation of tangible assets	199,975	204,056
Interest paid	399,068	307,560
Taxation charge	40,895	64,777
(Increase) in debtors	(81,872)	(69,702)
Increase in creditors	310,391	298,082
(Decrease)/increase in amounts owed to groups	(443,933)	177,020
Corporation tax (paid)	(63,721)	(128,286)
Net cash generated from operating activities	326,644	926,263
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,056,888)	(343,000)
Net cash from investing activities	(3,056,888)	(343,000)
Cash flows from financing activities		
New secured loans	3,267,921	-
Repayment of loans	-	(374,625)
Repayment of other loans	(30,000)	(30,000)
Interest paid	(399,068)	(307,560)
Net cash used in financing activities	2,838,853	(712,185)
Net increase/(decrease) in cash and cash equivalents	108,609	(128,922)
Cash and cash equivalents at beginning of year	7,972	136,894
Cash and cash equivalents at the end of year	116,581	7,972
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	116,581	7,972
	116,581	7,972

The notes on pages 14 to 27 form part of these financial statements.

TRIMLANE LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 JANUARY 2020

	At 1 February 2019 £	Cash flows £	Other non-cash changes £	At 31 January 2020 £
Cash at bank and in hand	136,894	-	(20,313)	116,581
Debt due after 1 year	(6,685,032)	(3,237,921)	-	(9,922,953)
Debt due within 1 year	(374,625)	-	-	(374,625)
	<u>(6,922,763)</u>	<u>(3,237,921)</u>	<u>(20,313)</u>	<u>(10,180,997)</u>

The notes on pages 14 to 27 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

1. General information

Trimlane Limited is a company, limited by shares, incorporated in England and Wales. The address of the registered office is given in the company information page. The nature of the Company's operations and its principal activities are disclosed in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

These financial statements have been prepared on the going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Company as lessor

Rentals income from operating leases is credited to profit or loss on a straight line basis over the term of the relevant lease.

2.5 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	- 2% Reducing Balance
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates. There are no judgments that have had a significant effect on the amounts recognised in the financial statements.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Rental income	745,680	745,680
	<u>745,680</u>	<u>745,680</u>

All turnover arose within the United Kingdom.

5. Auditors' remuneration

Auditors' remuneration is paid by Martinspeed Limited, a fellow subsidiary of the ultimate parent company, Syon Art Limited. It is not possible to split the amounts relating to the company.

6. Employees

The average monthly number of employees, including the Directors, during the year was as follows:

	2020 No.	2019 No.
Directors	<u>3</u>	<u>3</u>

TRIMLANE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

7. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	260,183	167,499
Other loan interest payable	138,885	140,061
	<u>399,068</u>	<u>307,560</u>

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	-	63,721
Adjustments in respect of previous periods	(20)	-
Total current tax	<u>(20)</u>	<u>63,721</u>
Deferred tax		
Origination and reversal of timing differences	40,915	1,056
Total deferred tax	<u>40,915</u>	<u>1,056</u>
Taxation on profit on ordinary activities	<u>40,895</u>	<u>64,777</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	<u>6,736</u>	<u>137,533</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	1,280	26,131
Effects of:		
Short term timing difference leading to an increase (decrease) in taxation	-	(125)
Other timing differences leading to an increase (decrease) in taxation	39,615	38,771
Total tax charge for the year	<u><u>40,895</u></u>	<u><u>64,777</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

TRIMLANE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

9. Tangible fixed assets

	Freehold property £
Cost or valuation	
At 1 February 2019	11,028,292
Additions	3,056,888
At 31 January 2020	14,085,180
Depreciation	
At 1 February 2019	686,547
Charge for the year on owned assets	199,975
At 31 January 2020	886,522
Net book value	
At 31 January 2020	13,198,658
At 31 January 2019	10,341,745

The net book value of land and buildings may be further analysed as follows:

	2020 £	2019 £
Freehold	13,198,658	10,341,745
	<u>13,198,658</u>	<u>10,341,745</u>

TRIMLANE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

10. Debtors

	2020 £	2019 £
Other debtors	40,203	-
Prepayments and accrued income	120,705	79,036
	<u>160,908</u>	<u>79,036</u>

11. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	374,625	374,625
Trade creditors	237,622	95,034
Amounts owed to group undertakings	1,609,390	2,053,323
Corporation tax	-	63,741
Other taxation and social security	-	30,488
Other creditors	572,043	373,752
	<u>2,793,680</u>	<u>2,990,963</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

12. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	8,537,953	5,270,032
Other loans	1,385,000	1,415,000
	<u>9,922,953</u>	<u>6,685,032</u>

Secured loans

A new bank loan was drawn down in March 2019. It is repayable in 2.5 years with interest charged at the aggregate of the margin and LIBOR. The loan is secured by a debenture over all assets of the company, a cross guarantee with Martinspeed Limited and personal guarantees from the directors.

The previous recent bank loan was drawn down in June 2015. It is repayable over 22 years with interest charged at 2.25% over the bank base rate. The loan is secured by a debenture over all assets of the company, a cross guarantee with Martinspeed Limited and personal guarantees from the directors.

The old bank loans were drawn down in October 2010 & April 2014 respectively and are repayable over 18 & 20 years with interest charged at 2.25% over the Bank of England base rate. The loans are secured by a debenture over all assets of the company and a cross guarantee with Martinspeed Limited and Syon Art Limited.

Loans totalling £870,000 made from S Sheffield remain as outstanding from the previous year and are repayable in full in 2020, interest on these loans is charged at 10%.

A loan to the Company made by C Kneale has been partly repaid in the year, the balance outstanding at the year end is £15,000 (2019: £45,000). The loan is repayable in full in 2020, and interest on this loan is charged at 5%.

A loan of £500,000 made by Syon Art Limited remains as outstanding and is repayable in full in 2020, interest on this loan is charged at 10%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

13. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	374,625	374,625
	<u>374,625</u>	<u>374,625</u>
Amounts falling due 1-2 years		
Bank loans	4,017,171	374,625
	<u>4,017,171</u>	<u>374,625</u>
Amounts falling due 2-5 years		
Bank loans	1,123,875	1,123,875
Other loans	1,385,000	1,415,000
	<u>2,508,875</u>	<u>2,538,875</u>
Amounts falling due after more than 5 years		
Bank loans	3,396,907	3,771,532
	<u>3,396,907</u>	<u>3,771,532</u>
	<u>10,297,578</u>	<u>7,059,657</u>

TRIMLANE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

14. Financial instruments

	2020 £	2019 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(12,629,475)</u>	<u>(9,119,986)</u>
Financial assets that are debt instruments measured at amortised cost comprise trade debtors.		
Financial liabilities measured at amortised cost comprise bank loans and other loans.		

15. Deferred taxation

	2020 £
At beginning of year	(19,413)
Charged to the profit or loss	(40,915)
At end of year	<u><u>(60,328)</u></u>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(60,328)	(19,413)
	<u><u>(60,328)</u></u>	<u><u>(19,413)</u></u>

16. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1,000 (2019 - 1,000) Ordinary shares of £0.01 each	<u><u>10</u></u>	<u><u>10</u></u>

TRIMLANE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

17. Capital commitments

At 31 January 2020 the Company had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	262,040	3,254,062
	<u>262,040</u>	<u>3,254,062</u>

18. Related party transactions

The Company owed £444,621 (2019: £938,554) to Martinspeed Limited, a fellow subsidiary of the group. Trimlane Limited received rental income of £745,680 (2019: £745,680) from Martinspeed Limited during the year.

The Company also owed Syon Art Limited, the ultimate parent Company, £1,664,769 (2019: £1,614,769). Trimlane Limited paid £50,000 (2019: £50,000) of loan interest to Syon Art Limited during the year.

The Company owed £885,000 (2019: £951,252) to Directors, inclusive of interest.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020**

19. Post balance sheet events

Since the balance sheet date, the COVID-19 (Coronavirus) pandemic has had an increasingly significant effect on individuals, businesses and organisations worldwide, including the Syon Art group of companies. The outbreak came into widespread public knowledge in 2020. In accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland and as confirmed by the Financial Reporting Council, the emergence of the Coronavirus is a non-adjusting post balance sheet event for any entity with a year end of 31 January 2020 or earlier, so this is applicable to Martinspeed. Therefore, assets and liabilities should not be adjusted for any potential impact of the outbreak unless the impact is so significant that the entity is no longer a going concern.

The Board of Directors has considered the effect on the value of the assets and liabilities of Martinspeed since the balance sheet date, as well as actual and expected future income and expenditure, cash flow requirements and the Company's ability to continue as a going concern.

In the face of the Coronavirus crisis, the UK Government have taken measures to restrict movement and physical contact, creating circumstances that have had a sudden and dramatic impact on the art sector.

Since the pandemic began, we have been taking steps to protect our workforce and the business, including its cash flow so as to be able to maintain liquidity given that the current crisis is likely to last months. The steps taken include:

- Established home working for all office-based functions
- Cancelling or deferring all unnecessary spend
- Establishing supplier agreements to maintain payments and supply
- Driving down aged debt owed from customers.
- Deferring allowable payments
- Deferring all Shareholder dividend payments
- Established skeleton management and operational teams to handle urgent or emergency works
- Furlough all remaining staff ready to return to work as and when customer demand returns

As a result of these measures, we approach the crisis with a clear plan to maintain liquidity, limit the impact on reserves, and we remain able to support our customers through the crisis. We have responded quickly to a resumption in market activity.

Therefore, the Company is considered to be a going concern and no adjustments have been made to the figures in these financial statements in respect of events since the balance sheet date.

20. Controlling party

In both the current and comparative year the immediate parent company is Syon Art Limited, a company registered in England and Wales.

In both the current and comparative year there is no ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.