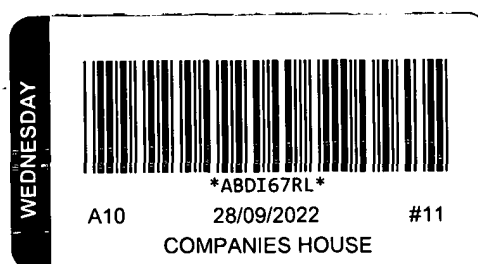


Company Registration No. 08767792 (England and Wales)

TP Leasing Limited

**Strategic Report, Directors' Report and Audited Financial Statements
for the Year Ended 31st March 2022**



TP Leasing Limited Company Information

Directors:

K. D. Hunnisett
P. A. Oliver
N. Richards
M. J. Bayer
T. H. Furnivall

Company Number:

08767792 (England and Wales)

Registered office:

1 King William Street
London
EC4N 7AF

Auditors:

Haines Watts
Chartered Accountants and statutory auditor
250 Fowler Avenue
Farnborough
Hampshire
GU14 7JP

TP Leasing Limited
Contents of the Financial Statements
for the Year Ended 31st March 2022

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TP Leasing Limited

Strategic Report for the Year Ended 31 Mar 2022

Introduction

The principal activities of TP Leasing Limited (TPLL) are leasing, lending and the trading of leased equipment. TPLL provides lease and loan finance to corporates, the public sector, SME and social housing lessees and borrowers through a number of direct and indirect channels and in respect of a diverse range of assets.

The Company's customer base consists predominantly of good quality corporates, public sector organisations and other established companies which benefit from a range of leasing, lending and infrastructure finance arrangements. There is also a smaller business line which supports SMEs through asset based lending and leasing as well as conventional balance sheet lending.

The Company adopts a conservative approach to credit risk and liquidity management and targets steady returns.

Business Review

The Company continues to record impressive growth and during the year increased its net assets by 21% from £246m to £297m, while at the same time increasing profits before tax by 24% from £3m to £3.7m. This growth has been supported by significant new equity investment in the company and a broadening of corporate leasing and lending offerings which has in turn increased profitability.

As at 31 March 2022 the percentage of capital allocation by sector was as follows: NHS 17% (2021: 16%), Corporate 39% (2021: 36%), Infrastructure Finance 2% (2021: 4%), Social Housing 20% (2021: 20%), Local Authority 10% (2021: 9%), SME 6% (2021: 8%) and Coronavirus Business Interruption Loan Scheme 6% (2021: 7%).

The last twelve months have continued to be challenging as far as running a leasing and lending business is concerned. The Covid pandemic enforced further shut downs, or materially reduced trading levels, for a number of borrowers due to multiple lockdowns and also put significant pressures on NHS Trusts and Local Authorities. The portfolio has proven to be robust throughout the period. However the challenges are not yet over and therefore the Company continues to monitor the situation closely.

Key Performance Indicators

The Board uses certain key performance indicators ("KPIs") to monitor and assess the performance of the Company. The principal KPIs are: new business levels, liquidity, asset and customer exposures, and ESG considerations. These are included in monthly management information circulated to the Board.

1. New Business levels are assessed as a whole and also by reference to the counterparty sector i.e corporate, public sector and SME. During the year, total new business written was £28.6m in the public sector, £69.7m in the corporate sector, £0.4m in the SME sector, £6.3m in social housing and £2.3m of lending to SMEs under the Government's Coronavirus Business Interruption Loan Scheme.

2. Liquidity is monitored to ensure adequate cashflow is maintained for new business whilst ensuring the effect of holding too much cash is minimised. At the year end cash balances of £39m (2021: £24m) were held.

3. Asset and customer exposures are reviewed to ensure the Company is not exposed to significantly increased risks from over exposure to one asset class or lessee/borrower. The largest customer exposure is £18.3m and the largest asset class exposure is £8.5m.

4. New transactions are assessed by a committee which considers the nature of the counterparty, asset type and terms such as maturity, return and residual value risk. Environmental, Social and Governance considerations are evaluated and used as an additional risk assessment framework with priority being given to customers, assets, or suppliers with strong ESG credentials. New business proposals for customers involved in gambling, producing weapons, tobacco or pornography are not to be considered.

TP Leasing Limited

Strategic Report for the Year Ended 31st March 2022 (continued)

Principal Risks and Uncertainties facing the Company

The Company's operations expose it to certain financial risks that it actively manages and seeks to mitigate wherever possible.

Credit Risk

The Company seeks to manage credit risk by the careful consideration of new leasing and lending opportunities. The Board is satisfied that credit risk remains in line with its objectives.

Risk as a result of COVID-19

The Company has considered the effect that the COVID-19 pandemic may have on the business and consideration of this has been included in the directors' report.

Residual Value Risk

The Company has a substantial portfolio of operating lease contracts in respect of which it takes residual value exposures against a wide range of vehicle, plant and medical assets. The Company closely monitors the performance of the installed asset base and undertakes a monthly review of asset concentration and exposure levels.

Liquidity Risk

Liquidity Risk is mitigated by the Company actively seeking and maintaining a mixture of short-term and medium term financing opportunities such that it can maintain and grow its book whilst fulfilling its liquidity objective and managing its interest rate exposure.

Interest Rate Risk

All leasing and lending arrangements bear a fixed rate of interest that is prudently assessed to meet the requirements of the Company.

Inflation Risk

UK inflation has increased to c9%, a level not seen for 40 years. Along with rising interest rates, rising inflation will put pressure on the UK economy but most noticeably on the discretionary spending power of consumers. The Company primarily focuses on counterparties that operate in business to business sectors rather than business to consumer sectors which will help protect the Company's exposures during these challenging economic conditions.

Future developments

The Company continues to grow and benefits from a number of strategic relationships with broker-introducers and equipment vendor partners, delivering a pipeline of leasing and lending opportunities to good quality large corporate entities. The Company also continues to access a good pipeline of public sector lease awards, and has performed robustly through the pandemic.

By the order of the Board

DocuSigned by:



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N. Richards

Director

Date: 23rd August 2022

TP Leasing Limited

Directors' Report for the Year Ended 31st March 2022

The directors present their report and financial statements for the year ended 31 March 2022.

Principal activities and review of the business

The principal activities of the company are leasing and lending to the public sector, corporates, SMEs and social housing.

Results

The profit on ordinary activities before taxation increased to £3,706,548 (2021: £2,999,015).

Going Concern

Covid-19, the war in Ukraine and global supply chain shortages have contributed in creating unprecedented and challenging conditions for all businesses across the UK. The company increased its portfolio monitoring function at the beginning of the Covid-19 pandemic to ensure it could closely monitor the performance of all its borrowers and the potential impact on returns. Triple Point has worked closely with their borrowers to help them through the pandemic using a range of measures, such as capital repayment holidays where borrowers have suffered to help relieve the pressure on their cash flow. The impacts of Covid-19 have reduced over the last 12 months in the UK however trading conditions have not returned to those experienced pre-pandemic with supply chains still being impacted by overseas outbreaks of Covid-19. A combination of factors have caused rising inflation which is expected to increase further through 2022. Along with rising interest rates, inflation will put pressure on the UK economy and provide challenging trading conditions for UK businesses.

The cautious and proactive approach taken by the company has meant that the business continues to perform well and the portfolio remains stable. The company continues to monitor the portfolio and the market, only accepting business that meets its cautious approach and not compromising on the rates or quality of deals taken on. As a result the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and therefore the financial statements have been prepared on a going concern basis.

Directors

The following directors have held office since 1 April 2021:

K. D. Hunnisett
P. A. Oliver
N. Richards
M. J. Bayer
T. H. Furnivall

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic report, 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 (Financial Reporting Standard 102 and applicable law). 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 and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

TP Leasing Limited

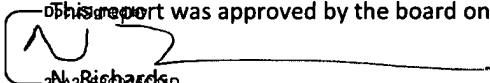
Directors' Report for the Year Ended 31st March 2022

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.

Statement of disclosure to the auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report was approved by the board on 23rd August 2022 and signed on its behalf.


N. Richards
Director

TP Leasing Limited

Independent Auditor's Report to the Members of TP Leasing Ltd

Opinion

We have audited the financial statements of TP Leasing Limited (the 'company') for the year ended 31 March 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 March 2022 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 UK, including 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 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.

TP Leasing Limited

Independent Auditor's Report to the Members of TP Leasing Ltd

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 where 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 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 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

TP Leasing Limited

Independent Auditor's Report to the Members of TP Leasing Ltd

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our audit 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 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.



Roslyn McFarlane (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants and Statutory Auditor
250 Fowler Avenue
Farnborough
Hampshire
GU14 7JP

Date: 2 September
2022

TP Leasing Limited
Statement of Total Comprehensive Income
for the Year ended 31st March 2022

	Note	Year Ended 31 Mar 2022 £	Year Ended 31 Mar 2021 £
Turnover	3	<u>25,910,497</u>	<u>24,376,289</u>
Expenses			
Depreciation	8	14,526,619	14,184,437
Administration Expenses		<u>8,012,188</u>	<u>7,214,038</u>
		<u>22,538,807</u>	<u>21,398,475</u>
Operating Profit	4	<u>3,371,690</u>	<u>2,977,814</u>
Profit on sale of fixed asset investments		334,662	-
Interest Receivable	6	<u>196</u>	<u>21,201</u>
Profit on ordinary activities before taxation		<u>3,706,548</u>	<u>2,999,015</u>
Tax on profit on ordinary activities	7	<u>(933,119)</u>	<u>(447,911)</u>
Profit for the financial year		<u>2,773,429</u>	<u>2,551,104</u>
Total Comprehensive income for the year		<u>2,773,429</u>	<u>2,551,104</u>

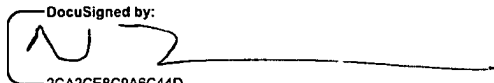
The Statement of Total Comprehensive Income has been prepared on the basis that all operations are continuing operations.

TP Leasing Limited
Statement of financial position as at 31st March 2022

		2022	2021
	Note	£	£
Fixed Assets			
Tangible Fixed Assets	8	68,509,368	60,148,612
		<u>68,509,368</u>	<u>60,148,612</u>
Current Assets			
Debtors - amounts falling due within one year	11	114,614,971	77,768,961
Debtors - amounts falling due after one year	11	86,756,759	95,115,571
Investments	12	-	2,500,000
Cash		39,412,551	23,609,766
		<u>240,784,281</u>	<u>198,994,298</u>
Total Assets		309,293,649	259,142,910
Creditors - Amounts falling due within one year	13	(12,320,769)	(12,784,803)
Total assets less current liabilities		<u>296,972,880</u>	<u>246,358,107</u>
Capital and Reserves			
Called up share capital	15	2,542,546	2,139,571
Share Premium	16	283,680,364	236,241,995
Profit and Loss Account		10,749,970	7,976,541
Shareholders' funds		<u>296,972,880</u>	<u>246,358,107</u>

The financial statements were approved by the Board of Directors on
Signed on behalf of the board of directors: 23rd August 2022

DocuSigned by:



N. Richards

Director

Company Registered number 08767792

The accompanying notes form part of these financial statements

TP Leasing Limited**Statement of changes in equity as at 31st March 2022**

	Called - up Share Capital	Share Premium Account	Profit and Loss Account	Total
At 1st April 2020	1,729,053	188,823,184	5,425,437	195,977,674
Total Comprehensive Income for the year	-	-	2,551,104	2,551,104
Issue of Shares	410,518	47,418,811	-	47,829,329
At 31st March 2021	2,139,571	236,241,995	7,976,541	246,358,107
Total Comprehensive Income for the year	-	-	2,773,429	2,773,429
Issue of Shares	402,975	47,438,369	-	47,841,344
At 31st March 2022	2,542,546	283,680,364	10,749,970	296,972,880

TP Leasing Limited
Statement of cash flows for the year ended 31st March 2022

		Year Ended 31 Mar 2022	Year Ended 31-Mar-21
	Note	£	£
Cash Flows from Operating activities			
Profit for the financial year		2,773,429	2,551,104
Adjustments for :			
Depreciation	8	14,526,619	14,184,437
(Profit) / loss on termination of lease		(1,150,225)	(814,867)
Interest received	6	(196)	(21,201)
(Profit) / loss from sale of investment		(334,662)	-
Taxation	7	933,119	447,911
Increase in trade and other receivables		(28,831,410)	(49,993,364)
(Decrease) / increase in trade and other payables		33,750	4,353,258
Net cash from operating activities		(12,049,576)	(29,292,722)
Cash from operations			
Income Taxes paid		(1,086,691)	(892,714)
		(1,086,691)	(892,714)
Cash flows from investing activities			
Proceeds from sale of assets		2,001,233	4,288,237
Purchase of tangible assets	8	(23,738,383)	(21,948,991)
Proceeds from sale of investment		2,834,662	-
Purchase of investment		-	(2,500,000)
Interest received	6	196	21,201
Net cash used in investing activities		(18,902,292)	(20,139,554)
Cash flows from financing activities			
Issue of ordinary share capital	15/16	47,841,344	47,829,329
Net cash generated in financing activities		47,841,344	47,829,329
Net increase/(decrease) in cash and cash equivalents		15,802,785	(2,495,661)
Cash and cash equivalents at beginning of year		23,609,766	26,105,427
Cash and cash equivalents at end of year		39,412,551	23,609,766

TP Leasing Limited

Notes to the financial statements for the year ended 31st March 2022

1 Accounting policies

1.1 Company Information

TP Leasing Limited is a private company limited by shares, domiciled and incorporated in England and Wales. The registered office is 1 King William Street, London, EC4N 7AF. The nature of the company's operations and principal activities are detailed in the Directors' Report.

1.2 Basis of Preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the requirement of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost basis. The principal accounting policies are set out below.

1.3 Turnover

Turnover comprises of income from the company's participation in the operating and finance lease activities receivable net of VAT, income receivable from debt factoring and gains on early termination of leases.

1.4 Income Recognition

Equipment leased to customers under operating leases is capitalised in accordance with the fixed assets policy (see note 1.6). Operating lease income is accounted for on a straight line basis with any rental increases recognised during the period to which they relate. Income is calculated on a monthly basis and consequently a full month's revenue is recognised for any lease where any number of days fall within that particular month.

Debtors under finance leases represent outstanding amounts due under these agreements less finance charges allocated to future periods. Finance lease interest is recognised over the period of the lease so as to produce a steady recognition of income.

Loans and receivable income is recognised over the period of the contract so as to produce a constant rate of return on the net cash advanced.

Gains on early termination of leases includes all proceeds due to be received less any termination costs and the carrying value of the asset terminated at the date of termination. Income is recognised on the date the proceeds invoice is raised.

1.5 Going Concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The COVID-19 pandemic, the war in Ukraine and global supply chain issues did not have a negative impact on the business and the directors do not expect any such negative impact in the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.6 Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on operating leased assets is charged over the term of the lease for an amount equal to the difference between the asset cost and the residual value. The amount of depreciation charged in respect of each lease is calculated so that the amount of rental income less depreciation for each period of the lease provides a steady recognition of income under the lease.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of an asset, and is credited or charged to the profit or loss.

TP Leasing Limited

Notes to the financial statements for the year ended 31st March 2022 (continued)

1.7 Impairment of Fixed Assets

At each reporting period end date, Beacon Lease Partners Limited, an entity under the same common control as TP Leasing Limited, conducts a review of the residual value of the tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Investments

Current asset investments are recognised at cost and subsequently measured at fair value through profit and loss.

1.9 Cash and Cash equivalents

Cash and cash equivalents are basic financial assets and include cash and cash deposits held at call with banks.

1.10 Financial Assets

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, 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.

Loans and receivables

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

TP Leasing Limited

Notes to the financial statements for the year ended 31st March 2022 (continued)

1.10 Financial Assets (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.11 Financial Liabilities

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.12 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

1.13 Taxation

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date. Where tax losses arise, due consideration is given to the potential deferred tax asset as noted below.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits in the next twelve months.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

2 Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Residual values and impairment of assets

TPLL takes residual value positions in assets (RV's). The estimate of the RV's are calculated when entering a lease and the value of that asset is reviewed annually by Beacon Lease Partners Limited, an entity under the same common control as TP Leasing Limited, and there have been no indicators of impairment identified during the year.

TP Leasing Limited**Notes to the financial statements for the year ended 31st March 2022 (continued)****2 Critical accounting estimates and judgements (continued)****Depreciation**

Due to the significance of the depreciation charge to the financial statements, the directors consider this to be a critical accounting estimate. The depreciation charge is calculated, as detailed in note 1.6, and the residual values are reviewed annually to assess whether any impairment is required. As a result the directors consider that the value of the depreciation charge is correct and reflective of the values of the assets.

Recoverability of debtors

The directors have reviewed the year end balances in respect of debtors due in less than and more than one year and consider that all amounts are fully recoverable and that no further provision is required.

Bad debts

Impairment provisions are made for specific finance lease, instalment credit receivables and loans which are considered to be bad or doubtful. Impairment provisions made during the year are charged to the profit and loss account, net of recoveries and the assets are all stated in the balance sheet after deduction of specific impairment provisions.

3 Turnover	2022	2021
	£	£
Operating lease income	17,646,163	17,123,098
Loans and receivables income	6,877,725	5,486,445
Finance lease income	1,386,609	1,766,746
	<u>25,910,497</u>	<u>24,376,289</u>

The total turnover for the year has been wholly derived from activities undertaken in the United Kingdom.

4 Operating Profit	2022	2021
	£	£
The operating profit is stated after charging:		
Fees payable to the company's auditor for the audit of the company's annual accounts	33,000	54,745
Foreign exchange (gain)/loss in respect of movements on forward contracts	(5,333)	-
	<u>27,667</u>	<u>54,745</u>

5 Directors and employees	2022	2021
<i>Directors costs during the year were as follows:</i>	£	£
Directors Remuneration	10,000	10,000
Directors Insurance	58,569	30,190
	<u>68,569</u>	<u>40,190</u>

The average number of employees during the year was as follows:

	2022	2021
Directors	<u>5</u>	<u>5</u>

6 Interest Receivable	2022	2021
	£	£
Bank Interest	196	21,201
	<u>196</u>	<u>21,201</u>

TP Leasing Limited**Notes to the financial statements for the year ended 31st March 2022 (continued)**

7 Taxation	2022	2021
	£	£
Current Tax		
UK Corporation tax on profits for the current period	588,907	921,834
Total current tax	<u>588,907</u>	<u>921,834</u>
Deferred Tax		
Origination and reversal of timing differences	344,212	(473,923)
Total tax (income) / expense	<u>933,119</u>	<u>447,911</u>

The charge for the year can be reconciled to the profit per the Statement of total comprehensive income as follows:

	2022	2021
	£	£
Profit before taxation	<u>3,706,548</u>	<u>2,999,015</u>
Expected tax charged based on corporation tax rate of 19%	704,244	569,813
Expenses not deductible for tax purposes	290,768	235,644
Capital allowances in excess of depreciation	(406,105)	119,192
Deferred Tax	344,212	(476,737)
Tax (income) / expense for the year	<u>933,119</u>	<u>447,911</u>

8 Tangible Fixed Assets

Fixed assets comprise plant and equipment held for use in operating leases.

Cost	£
Balance at 1st April 2021	101,154,201
Additions in the Year	23,738,383
Disposal in the Year	<u>(12,019,918)</u>
Balance at 31st March 2022	<u>112,872,666</u>
Depreciation	
Balance at 1st April 2021	41,005,589
Disposal in the Year	<u>(11,168,910)</u>
Charge for the Year	14,526,619
Balance at 31st March 2022	<u>44,363,298</u>
Net Book Value at 31st March 2022	<u>68,509,368</u>
Net Book Value at 1st April 2021	<u>60,148,612</u>

Within the above non current assets there is an amount of £310,423 (2021: £15,041) which relates to assets where the lease term has expired.

TP Leasing Limited**Notes to the financial statements for the year ended 31st March 2022 (continued)****9 Operating Leases - Lessor**

Operating Leases primarily relate to vehicle, plant and equipment leases with various NHS trusts and Local Authority lessees. No contingent rents have been recognised within the turnover period.

Total further minimum lease payments receivable under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than one year	14,020,640	12,779,016
Later than one and not later than five years	25,795,320	23,987,994
Later than five years	620,968	470,832
	<u>40,436,928</u>	<u>37,237,842</u>

10 Finance Leases - Lessor

Finance Leases primarily relate to vehicle, plant and equipment leases with various NHS trusts and Local Authority lessees. No contingent rents have been recognised within the turnover period.

Total further minimum lease payments receivable under non-cancellable finance leases are as follows:

	2022	2021
	£	£
Not later than one year	15,969,248	17,275,847
Later than one and not later than five years	27,601,169	26,927,812
Later than five years	2,878,970	1,749,158
	<u>46,449,387</u>	<u>45,952,817</u>
Reconciliation		
Minimum finance lease payments	46,449,387	45,952,817
Less unearned finance income	(2,993,619)	(2,689,155)
	<u>43,455,768</u>	<u>43,263,662</u>

11 Debtors**Note**

	2022	2021
	£	£
Debtors for lease payments	3,125,188	1,803,701
Outstanding finance lease capital	43,455,769	43,263,662
Prepayments and accrued Income	72,648	563,556
VAT recoverable	1,661,369	-
Other Debtors	150,233,476	125,051,644
Corporation Tax	189,452	-
Amounts due from entities under common control	776,071	-
	<u>199,513,973</u>	<u>170,682,563</u>
Deferred tax asset (note 14)	1,857,757	2,201,969
	<u>201,371,730</u>	<u>172,884,532</u>

Other debtors includes £58,036,782 (2021: £67,841,773) falling due after one year.

Outstanding finance lease capital includes £28,719,977 (2021: £27,273,798) falling due after one year.

12 Investments

	2022	2021
	£	£
Listed Investments	-	2,500,000
	<u>-</u>	<u>2,500,000</u>

During the year TP Leasing Limited sold the listed investment held for a gain of £334,662.

TP Leasing Limited**Notes to the financial statements for the year ended 31st March 2022 (continued)**

	Note	2022	2021
		£	£
13 Creditors and Accruals			
Trade Creditors		1,967,911	4,824
Amounts due to entities under common control	18	252,259	2,878,957
Deferred Income		9,566,268	8,843,528
Accrued Expenses		534,331	276,672
Corporation Tax		-	308,332
VAT Payable		-	472,490
		<u>12,320,769</u>	<u>12,784,803</u>

14 Deferred taxation	Assets	Assets
	2022	2021
	£	£
Accelerated capital allowances	1,857,757	2,201,969
	<u>1,857,757</u>	<u>2,201,969</u>

Movements in the year:

	2022
	£
Asset at 1st April 2021	2,201,969
Debit to the income statement	(344,212)
Asset at 31st March 2022	<u>1,857,757</u>

The deferred tax asset set out above is not expected to reverse within 12 months.

15 Share capital	Nominal value	Number	2022	2021
			£	£
Allotted, called up and fully paid ordinary shares				
As at 1st April 2021	£0.01	213,957,123	2,139,571	1,729,053
Additions		40,297,448	402,975	410,518
As at 31st March 2022		<u>254,254,571</u>	<u>2,542,546</u>	<u>2,139,571</u>

16 Share Premium	2022	2021
	£	£
As at 1st April 2021	236,241,995	188,823,184
Additions	47,438,369	47,418,811
As at 31st March 2022	<u>283,680,364</u>	<u>236,241,995</u>

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

17 Ultimate controlling party

The immediate parent undertaking is TP Nominees Limited, a company registered in England and Wales. The registered office is 1 King William Street, London, EC4N 7AF. The directors do not consider there to be any one ultimate controlling party.

TP Leasing Limited

Notes to the financial statements for the year ended 31st March 2022 (continued)

18 Related Party Transactions

Included in "Amounts due from entities under common control" is a balance of £776,071 (2021: £2,294,453 due to) due from Triple Point Lease Partners (TPLP), an entity under the same common control as TP Leasing Ltd (TPLL). This relates to rentals collected by Triple Point Lease Partners (TPLP) on behalf of TPLL on a portfolio of leases sold to TPLL. This balance has been received post year end.

Included in "Amounts due to entities under common control" is a balance of £89,935 (2021: £48,475) due to Beacon Lease Partners Limited (BLP), an entity under the same common control as TPLL. During the year BLP received £nil (2021: £320,019) of commission for introducing new business and £101,781 (2021: £111,833) for the management of leased assets at the maturity of the underlying leases.

Included in "Prepayments and accrued Income" is a balance of £1,001,547 (2021: £1,007,469) due to Triple Point Investment Management LLP (TPIM), an entity that has significant influence over TPLL. During the year a total of £1,027,927 (2021: £695,612) was paid to TPIM for the arrangement of new equity into the business.

Included in "Amounts due to entities under common control" is a balance of £162,324 (2021: £360,527) due to Triple Point LLP (TP), an entity that has significant influence over TPLL. During the year a total of £6,846,455 (2021: £3,807,049) was paid to TP for administering TPLL.