

Company Registration No. 01503192 (England and Wales)

GLOBALGRANGE LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021



GLOBALGRANGE LIMITED

COMPANY INFORMATION

Directors	Mr H S Matharu Mr R S Matharu Mr T S Matharu
Secretary	Mr H S Matharu
Company number	01503192
Registered office	58 Rochester Row Westminster London SW1P 1JU United Kingdom
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom
Bankers	Barclays Bank Plc Business Services Level 27 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Howard Kennedy LLP 1 London Bridge London SE1 9BG

GLOBALGRANGE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report for the year ended 31 March 2021.

Fair review of the business

Some of the trading properties within the New Grange Holdings 3 Limited ("NGH3") group continued to operate throughout the year, subject to temporary or longer restrictions as a result of the Covid pandemic, with some still yet to re-open as result of the effects of the ongoing reduction in business demand. The properties were managed to maximise the occupancy of those properties that were chosen to fully re-open for operational and cost efficiency, and others only followed when there was sufficient further demand to do so.

Covid restrictions with social distancing requirements particularly impacted capacity and demand for conference and banqueting events in the year in the two main properties with such facilities although outdoor functions, when permitted, were more practical and successful.

Since the year end the Grange Lancaster Hotel (Grange Lancaster Limited), ceased trading on 29th September 2021 when its existing lease expired and was returned to its Landlord with vacant possession. The directors did not consider this property formed part of any future strategy for the group and did not re-open during the year.

After the transfer in June 2019 the directors decided in early 2020 to put onto the market the remaining properties within the Globalgrange 2 Limited group. Despite some interest and a number of offers over a period of time, none ultimately approached the valuation the directors considered reasonable, and the process was put on hold until recent proposals were made in 2022.

The Group's only hotel directly operated by Globalgrange Limited, the Grange Bracknell, began the year with a temporary closure arising from the pandemic, but soon re-opened after a brief period for key workers and then more fully as restrictions eased. However with continuing losses, exacerbated by these events, and after belated consent from one Director, it was decided to close the property and this duly ceased trading on 11th December 2020. An agreed settlement was reached with the Landlord which was within the provision previously made in the group's financial statements.

The directors continue to consider all options for the future strategy and their intentions for the group.

The Company's Statement of Financial Position as detailed on page 11 shows a satisfactory position, with shareholders' funds amounting to £3.1 million (2020: £10.3 million). The decrease is due to the loss for the financial year.

The Group has continued to see some higher than usual costs this year, including professional fees as a result of the continuing reorganisation and administrative costs at a high level dealing with the operational, accounting and legal issues arising from it.

Future developments

As part of the directors consideration for the future strategy for the Group the following developments took place:

- Since the year end, as part of its stated strategy, the directors, having received a separate offer for two of the trading properties within the Globalgrange 2 Limited group, are progressing their sale with the potential buyer. Negotiations and due diligence are ongoing at the present time. An attempt during the year to sell the whole portfolio of assets within that Group ultimately proved unsuccessful in obtaining what the directors considered to be a fair value for them.
- Since the year end and with the post pandemic economy opening up more the Group along with most others in the hotel and hospitality sector are experiencing a chronic labour shortage with staff ultimately not returning from Furlough periods or leaving for other opportunities with subsequent challenges in recruiting replacements. The Group has managed the properties thus far to maximise room capacity available to match most of the demand received but further expansion of capacity to meet higher booking levels might be constrained if this situation persists. The Group is exploring every avenue available to recruit more staff alongside active measures to retain existing staff whenever practical.

GLOBALGRANGE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties

Price risk

The Group has retained certain assets after the re-organisation described in this report and is reliant upon their ultimate value or income for future operations. It is reliant upon the trading income of its hotels to meet the remaining overheads of the Group.

Recovery of central overheads following Group reorganisation

Relevant central overheads incurred by Globalgrange Limited are recharged on a commercial basis to the additional Globalgrange 2 Limited group operating hotels.

Liquidity risk

See the going concern accounting policy disclosed on page 14.

Financial instruments and borrowings

The Group is not reliant on any external borrowing facilities to finance its business.

Inflation

Along with others in the sector since the year end the Group is experiencing significant inflationary pressures arising from the post Covid recovery effects on the supply and labour markets alongside the war in Europe. These are currently being most keenly felt in food, energy and laundry price increases as well as pay awards to facilitate the retention and recruitment of staff.

The Group is actively managing the supply chain and to obtain operational staff efficiencies to help mitigate some of these effects but ultimately some will have to be absorbed. The Directors consider the pricing and demand for its product to be strong enough, based on current market price performance and predictions, to be able to increase revenue to sufficient levels to ultimately still yield satisfactory results.

Labour supply

The hotel and hospitality industry, alongside other sectors, is now experiencing challenges in retaining and recruiting staff and is currently experiencing acute staff shortages. The current effect on the Group is noted above.

Political and regulatory environment – Brexit implications

Despite the exit from the EU on 31 January 2020, there still remains insufficient information, distorted by the intervening pandemic, about the longer term effects of the post-Brexit trading arrangements between the UK and the EU, particularly in respect of labour and passenger movement, and the longer term impact on business and leisure travel trends, to draw any broad conclusions about current or future impact on the UK hospitality sector.

The directors continue to monitor developments and consider that Brexit is not expected to have a material long term impact on the Group's business demand but can attribute some of the current challenging labour shortages and recruitment issues being experienced to the Brexit process and the post Brexit immigration and visa regime which has been implemented.

COVID-19 Pandemic

The directors continue to monitor the impact of COVID-19 on the going concern status of the Group and the Company, and have set out in note 1 on page 13 any continuing material uncertainties that may cast significant doubt on the Group's or the Company's ability to continue as a going concern.

The ongoing COVID-19 outbreaks in the UK did impose, and continues to present, a severe impact on the Group and its operations.

The seven trading hotels in the Globalgrange 2 Limited group remained open for bookings, however in light of COVID-19 reduction in demand much of the capacity was mothballed as the year commenced and occupancy consolidated initially within one of the hotels. Grange Bracknell was also closed at the start of the year only re-opening as permitted offering rooms for key workers. The Group took advantage of the Government's Coronavirus Job Retention Scheme by furloughing employees and claiming grants to cover the most significant administrative expense, payroll, until it ceased in September 2021. Other Grants have been claimed from funds made available to the sector as they became available.

GLOBALGRANGE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Principal risks and uncertainties (Continued)

The Group implemented new policies and procedures, which remain under constant review, in order to safeguard the business and the health and safety of its employees, guests and suppliers:

- Hygiene and cleaning procedures in the Group's properties were greatly enhanced alongside new protocols for interactions with guests, colleagues and suppliers. Company policies and supplies of materials and services to support this were put in place, including temperature testing kits for staff and guests arriving. These were reviewed in the light of the changing Government regulations as from time to time occurred.
- Operations and capacity were flexed commensurate with varying levels of occupancy both current and anticipated to try to minimise the economic impact. This was and continues to be kept under constant review. Contingency plans to ensure that supplies, security and services for the continued operation of the business arising from any further shut down or supply problems are regularly updated.
- Additional equipment and resources were deployed, and continue to be available, to enable home working for as many employees, whilst still meeting the needs of the business as well the well-being of employees and their families. Regular testing of employees still working was enabled when it became practical.
- We constantly keep our customers and employees updated with the latest advice and information. Requirements of key agencies and corporate customers were implemented promptly to maximise opportunities for both accommodation and conferencing.

The directors will continue to modify these plans in the light of changing advice and regulations as this situation continues.

Key performance indicators

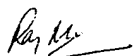
Whilst the Group does not place significant value or weight on the KPIs used widely throughout the Hotel Operating and Leisure Industry, it does monitor the group performance against some published data on some KPIs to indicate its relative performance against its competitors. In addition, such data is used in the management of costs and working capital to improve operating profit. The major KPIs which it uses for these purposes are:

- Occupancy rate - rooms occupied by hotel guests, expressed as a percentage of rooms that are available.
- Average room rate - room revenue divided by the number of room nights sold.
- RevPAR - This is the revenue per available room whereby total income received during a period is expressed as a multiple of rooms available to be sold during the same period.

The directors have due regard to these ratios and figures for each and every unit traded by the Group and aim to improve them on a continuing basis.

With the further restructuring activities within the group during the prior year, and the first quarter disruption, the directors consider that it is not relevant or meaningful to make any further analysis.

On behalf of the board



Mr R S Matharu
Director

27 October 2022

GLOBALGRANGE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the Company continued to be that of the provision of management services to group companies.

Going concern

The Company has net assets of £3,124,557 (2020: £10,276,595) including debtors of £3,845,674 (2020: £16,985,341) owed by group undertakings and cash at bank and in hand of £11,760,203 (2020: £21,330,345).

The parent company, New Grange Holdings 3 Limited ("NGH3") has provided a letter of support confirming that it will continue to provide financial support to the Company so that it can continue to meet its obligations as they fall due for at least twelve months from the signing of these financial statements. The directors have set out in note 1 on page 14 material uncertainties that may cast significant doubt on the ability of the ultimate parent company to provide financial support to the Company to enable it to meet its debts as they fall due.

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid (2020: £Nil). The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr H S Matharu

Mr R S Matharu

Mr T S Matharu

Employee involvement

Employees of the Group are regularly consulted by the management and kept informed of matters affecting them and the overall development of the Group.

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. The directors endeavour to ensure that as far as possible the training, career development and promotion of disabled persons is the same as for other employees. Should employees become disabled, every effort is made to ensure that their employment continues and appropriate retraining is received.

The Group recognises the high standards required to ensure the health, safety and welfare of employees, its customers and the general public. These policies are regularly reviewed with the objective of ensuring that standards are maintained.

Auditor

In accordance with the Company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the Company will be put at a General Meeting.

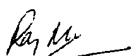
GLOBALGRANGE LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board



Mr R S Matharu
Director

27 October 2022

GLOBALGRANGE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the strategic report and 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). 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, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALGRANGE LIMITED

Disclaimer of opinion

We were engaged to audit the financial statements of Globalgrange Limited for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

We do not express an opinion on the accompanying financial statements of the company. Because of the significance of the matter described in the Basis for disclaimer of opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for disclaimer of opinion

The audit evidence available to us was limited following the decision taken in 2018 to formally break up the Globalgrange group and the ongoing dispute between the directors. The directors of the group have entered into Arbitration to try and resolve the claims and counter claims being made but this has not been resolved at the date of signing these financial statements. As a result of this we have been unable to obtain sufficient appropriate audit evidence concerning multiple elements of the financial statements because we are unable to conclude whether the financial statements disclose or include multiple claims which have been made by directors against other directors which, if established to be correct, could have a material impact on the Financial Statements. The possible effects of this inability to obtain sufficient appropriate audit evidence are deemed to be both material and pervasive to the financial statements.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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.

Disclaimer of opinion on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

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

Except for the matters referred to above, in our opinion the directors' report has been prepared in accordance with the applicable legal requirements.

Matters on which we are required to report by exception

Arising from the limitation of our work referred to above:

- we have been unable to determine whether there are material misstatements in the strategic and/or the directors report in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit;
- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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 by the company, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALGRANGE LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our responsibility is to conduct an audit of the company's financial statements in accordance with International Standards on Auditing (UK) and to issue an auditor's report. However, because of the matter described in the Basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit. However, because of the matter described in the Basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We planned audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating advice received from external tax advisors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOBALGRANGE LIMITED (CONTINUED)

The audit engagement team identified the risk of management override of controls and valuation of properties as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures planned included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates applied in the valuation of properties.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Euan Banks

Euan Banks FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
United Kingdom
27 October 2022

GLOBALGRANGE LIMITED

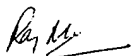
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	3,390,234	12,450,546
Cost of sales		(7,272,913)	(13,908,779)
Gross loss		(3,882,679)	(1,458,233)
Administrative expenses		(2,118,268)	(5,579,949)
Other operating income	4	2,360,531	4,593,741
Exceptional items	5	(6,259,219)	-
Impairment losses	12	-	(277,014)
Operating loss	8	(9,899,635)	(2,721,455)
Interest receivable and similar income	9	136,614	606,757
Interest payable and similar expenses	10	(67,573)	(90,095)
Loss before taxation		(9,830,594)	(2,204,793)
Tax on loss	11	2,678,556	2,032,863
Loss for the financial year		(7,152,038)	(171,930)

GLOBALGRANGE LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	14	3,430,000		3,450,000	
Investments	15	557		557	
		<u>3,430,557</u>		<u>3,450,557</u>	
Current assets					
Stocks	17	-		68,405	
Debtors	18	14,881,720		27,048,198	
Cash at bank and in hand		11,760,203		21,330,345	
		<u>26,641,923</u>		<u>48,446,948</u>	
Creditors: amounts falling due within one year	19	<u>(26,947,923)</u>		<u>(28,832,955)</u>	
Net current (liabilities)/assets			<u>(306,000)</u>		<u>19,613,993</u>
Total assets less current liabilities			<u>3,124,557</u>		<u>23,064,550</u>
Provisions for liabilities	20		-		<u>(12,787,955)</u>
Net assets			<u>3,124,557</u>		<u>10,276,595</u>
Capital and reserves					
Called up share capital	22	150,001		150,001	
Profit and loss reserves	23	2,974,556		10,126,594	
Total equity			<u>3,124,557</u>		<u>10,276,595</u>

The financial statements were approved by the board of directors and authorised for issue on 27 October 2022 and are signed on its behalf by:



Mr R S Matharu
Director

GLOBALGRANGE LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2019	150,001	10,298,524	10,448,525
Year ended 31 March 2020:			
Loss and total comprehensive loss for the year	-	(171,930)	(171,930)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2020	150,001	10,126,594	10,276,595
Year ended 31 March 2021:			
Loss and total comprehensive loss for the year	-	(7,152,038)	(7,152,038)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	<u>150,001</u>	<u>2,974,556</u>	<u>3,124,557</u>

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Globalgrange Limited (the 'Company') is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 58 Rochester Row, Westminster, London, SW1P 1JU, United Kingdom.

The Company's principal activities and nature of its operations are disclosed in the directors' report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006 including the provisions relating to Large and Medium companies and Group (Accounts and Reports) Regulations 2008.

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 £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

Reduced disclosures

This Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of New Grange Holdings 3 Limited. These consolidated financial statements are available from its registered office, 58 Rochester Row, London, SW1P 1JU, United Kingdom.

Consolidated accounts

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the Company as an individual entity and not about its group.

Globalgrange Limited is a wholly owned subsidiary of New Grange Holdings 3 Limited and the results of Globalgrange Limited are included in the consolidated financial statements of New Grange Holdings 3 Limited which are available from 58 Rochester Row, Westminster, London, SW1P 1JU, United Kingdom.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Going concern

The Company has net assets of £3,124,557 (2020: £10,276,595) including debtors of £3,845,674 (2020: £16,985,341) owed by group undertakings and cash at bank and in hand of £11,760,203 (2020: £21,330,345).

NGH3 has provided a letter of support confirming that it will continue to provide financial support to the Company so that it can continue to meet its obligations as they fall due for at least twelve months from the signing of these financial statements.

At 31 March 2021, the Group headed by NGH3 had net liabilities of £13,994,000 (2020: £11,113,000), net current liabilities of £62,140,000 (2020: £46,818,000), cash at bank and in hand of £11,774,000 (2020: £29,684,000) and amounts owed to related parties of £83,094,000 (2020: £82,800,000) falling due within one year.

The ongoing COVID-19 outbreaks in the UK did impose, and continues to present, a severe impact on the Group and its operations. The seven trading hotels in the Globalgrange 2 Limited group, which are fellow group undertakings, remained open for bookings, however in light of COVID-19 reduction in demand much of the capacity was mothballed as the year commenced and occupancy consolidated initially within one of the hotels. Grange Bracknell was also closed at the start of the year only re-opening as permitted offering rooms for key workers. The Group took advantage of the Government's Coronavirus Job Retention Scheme by furloughing employees and claiming grants to cover the most significant administrative expense, payroll, until it ceased in September 2021. Other Grants have been claimed from funds made available to the sector as they became available.

The Group has a number of options available to generate cash flows to meet the Group's and the Company's working capital requirements and repay the Group's related party debts including potential asset disposals, but the ability to generate sufficient additional funds will depend on the economic situation, which is currently uncertain. After the transfer in June 2019 the directors decided in early 2020 to put onto the market the remaining properties within the Globalgrange 2 Limited group. Despite some interest and a number of offers over a period of time, none ultimately approached the valuation the directors considered reasonable, and the process was put on hold.

The material uncertainties as to when the Group's hotels will return to pre COVID-19 revenues and occupancies and the ability to generate sufficient funds from hotel disposals may cast significant doubt on the Group's ability to provide financial support to the Company and consequently the Company's ability to continue as a going concern. Therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Having considered the material uncertainties described above, including the potential asset disposals, the directors have, at the time of approving the financial statements, a reasonable expectation that the Group can provide the necessary support to the Company so it has adequate resources to continue in operational existence for a period of at least 12 months from the date these financial statements are approved. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements. The financial statements do not include the adjustments that may be necessary if the Company were unable to continue as a going concern.

Turnover

Turnover represents the amount derived from the provision of accommodation, conference facilities and meals and sale of property. Income is recognised on the date of occupation for accommodation and meals, and on the date of the even for conference facilities. Turnover excludes value added tax, and relates solely to the United Kingdom.

Income from the provision of management services to related entities is recognised over the periods in which the related costs are incurred.

Rental income

Rental income on assets leased under operating leases is recognised on a straight line basis over the lease term and is presented within other operating income.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Other income

Other income is recognised over the periods in which the related costs are incurred.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold and long leasehold properties	1% to 2% p.a on a straight line basis
Short leasehold properties	over period of lease
Plant and equipment	4% to 20% p.a on a straight line basis
Motor vehicles	25% p.a on a straight line basis

Freehold land is not depreciated.

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 the asset, and is credited or charged to profit or loss.

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

The property fair value can be measured reliably and is held under the revaluation model and is carried at a revalued amount, being the fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and building is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity, such gains and loss are recognised in profit or loss.

The part of the annual depreciation charge on the revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account reserve.

Fixed asset investments

Interests in subsidiaries, are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the Company reviews the carrying amounts of its tangible and intangible 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.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost of goods for resale is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

At each reporting date, the Company assesses whether stocks are impaired or if an impairment loss recognised in prior years has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to sell, is recognised as an impairment loss in profit or loss.

Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial instruments

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 instruments are recognised when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

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

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries, that will be assessed to or allow for tax in a future period except where the Company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

For non-depreciable assets measured using the revaluation model, deferred tax is measured using the tax rates and allowances that apply to the sale of the asset or property.

Provisions

Provisions are recognised when the Company has a legal or constructive present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (Continued)

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Depreciation and useful economic life

The depreciation, in respect of tangible fixed assets, is based upon estimates of the useful economic lives of the assets involved. Useful economic life is assessed initially upon acquisition of the asset and therefore reviewed annually taking into account any revisions of future use of those assets. The judgements involved are informed by historical experience in relation to similar assets.

Valuation of tangible fixed assets

The Directors obtain professional valuations of freehold land and buildings to inform them of the valuation of the Group's properties. At each year end, in the absence of a professional valuation, the Directors use their experience and professional judgement to assess whether there has been a material change in the carrying value of the land and buildings. There is an element of judgement in this assessment of carrying value.

Provisioning against trade debtors

Trade debtors are regularly considered for indicators of impairment, which require the Group to make best estimates for these losses. Such estimates involve considering: the historical experience of bad debts; the effects of present economic conditions; the financial health of customers; and present and expect future levels of interest rates.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Turnover and other revenue

	2021	2020
	£	£
Turnover analysed by class of business		
Operation of hotels	172,914	2,895,518
Provision of management services	3,217,320	9,555,028
	<u>3,390,234</u>	<u>12,450,546</u>

The turnover for the year was derived from the Company's principal activities. The whole of the turnover is attributable to the United Kingdom market.

4 Other operating income

	2021	2020
	£	£
Coronavirus Job Retention Scheme	2,112,611	30,197
Other grant income	48,035	-
Other income	199,885	4,563,544
	<u>2,360,531</u>	<u>4,593,741</u>

Government grant income was received in the form of support from the Coronavirus Job Retention Scheme (Furlough payments) whilst venue operations were closed or operating in a restricted environment. The total amount claimed for the period was £2,112,611 (2020: £30,197). Other grant income of £48,035 (2020: £Nil) was also received relating to additional restriction grants available for businesses in the retail, hospitality and leisure sectors in England.

5 Exceptional items

	2021	2020
	£	£
Expenditure		
Related party balance waiver	7,868	-
Impairment of intercompany balances	6,251,351	-
	<u>6,259,219</u>	<u>-</u>

During the year, the Company agreed to waive an outstanding balance with a related company.

During the year, the Company impaired balances owed by related companies to reflect the recoverable amount of these balances.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

6 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2021 Number	2020 Number
Hotel operating and sales	143	188
Administration and management	32	46
Total	175	234

All employees within the Group headed by New Grange Holdings 3 Limited are employed directly by Globalgrange Limited. Staff costs have been recharged to the relevant group companies and related parties.

Staff costs presented below are gross of recharges. Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	6,136,784	10,299,786
Social security costs	375,126	941,894
Pension costs	62,406	131,881
	6,574,316	11,373,561

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	313,590	329,992

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	121,061	133,719

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange gains	(76,834)	(13,153)
Government grants	(2,160,646)	(30,197)
Fees payable to the Company's auditor for the audit of the Company's financial statements	5,500	5,000
Depreciation of owned tangible fixed assets	15,852	48,172
Impairment of owned tangible fixed assets	-	342,959
Loss/(profit) on disposal of tangible fixed assets	4,149	(20,902)
Amortisation of intangible assets	-	1
Operating lease charges	601,193	2,148,969

9 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	34,961	120,534
Interest receivable from group companies	101,393	290,095
Other interest income	260	196,128
Total income	136,614	606,757

10 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	5	441
Interest payable to group undertakings	20,186	22,241
Other interest	47,382	67,413
	67,573	90,095

11 Taxation

	2021	2020
	£	£
Current tax		
Adjustments in respect of prior periods	(2,678,556)	(1,712,256)
Deferred tax		
Origination and reversal of timing differences	-	(358,326)
Changes in tax rates	-	37,719
Total deferred tax	-	(320,607)
Total tax credit	(2,678,556)	(2,032,863)

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Taxation (Continued)

The total tax credit for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2021 £	2020 £
Loss before taxation	(9,830,594)	(2,204,793)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(1,867,813)	(418,911)
Tax effect of expenses that are not deductible in determining taxable profit	1,235,481	2,000,334
Tax effect of income not taxable in determining taxable profit	-	(2,143,145)
Change in unrecognised deferred tax assets	3,354	205,797
Adjustments in respect of prior years	(2,049,578)	(1,712,256)
Permanent capital allowances in excess of depreciation	-	(1,752)
Other deferred tax adjustments	-	37,070
Taxation credit for the year	(2,678,556)	(2,032,863)

Changes to the UK corporation tax rates were substantively enacted by the Finance Bill 2021 on 24 May 2021. These included an increase of the corporation tax rate to 25% from 1 April 2023. As this change was substantively enacted at the balance sheet date, where deferred tax is recognised, it is at a rate of 25% in the current year (2020: 19%).

12 Impairments

	2021 £	2020 £
Property, plant and equipment - leasehold property	-	277,014
	-	277,014
<i>Included within administrative expenses:</i>		
Property, plant and equipment - plant and equipment	-	65,945
	-	342,959

In assessing the carrying value of property, plant and equipment for impairment, the directors have taken account of market factors including the impact of COVID-19 on the hospitality industry and have also considered the informal opinion of their real estate property advisors. Due to the market uncertainty surrounding COVID-19, a material uncertainty exists in relation to the carrying value of the assets. The directors have formed their own conclusions regarding the recoverable amount of the assets. Accordingly, during the prior year, the directors concluded that an impairment charge was necessary, and a charge of £277,014 was recognised in the profit or loss account.

Impairment losses on plant and equipment of £Nil (2020: £65,945) are recognised within administrative expenses in the profit and loss account.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

13 Intangible fixed assets

	Patents and licences £
Cost	
At 1 April 2020 and 31 March 2021	30,101
Amortisation and impairment	
At 1 April 2020 and 31 March 2021	30,101
Carrying amount	
At 31 March 2021	-
At 31 March 2020	-

14 Tangible fixed assets

	Freehold and long leasehold properties £	Short leasehold properties £	Plant and equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2020	3,670,203	36,780	5,358,385	70,257	9,135,625
Disposals	-	-	(1,010,000)	-	(1,010,000)
At 31 March 2021	3,670,203	36,780	4,348,385	70,257	8,125,625
Depreciation and impairment					
At 1 April 2020	280,432	36,780	5,298,156	70,257	5,685,625
Depreciation charged in the year	-	-	15,852	-	15,852
Eliminated in respect of disposals	-	-	(1,005,852)	-	(1,005,852)
At 31 March 2021	280,432	36,780	4,308,156	70,257	4,695,625
Carrying amount					
At 31 March 2021	3,389,771	-	40,229	-	3,430,000
At 31 March 2020	3,389,771	-	60,229	-	3,450,000

Due to the market uncertainty surrounding COVID-19, a material uncertainty exists in relation to the carrying value of the assets (see note 12).

15 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	16	507	507
Unlisted investments		50	50
		557	557

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

15 Fixed asset investments (Continued)

Movements in fixed asset investments	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 April 2020 & 31 March 2021	507	50	557
Carrying amount			
At 31 March 2021	507	50	557
At 31 March 2020	507	50	557

16 Subsidiaries

Details of the Company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect	
4 Howley Place Limited	58 Rochester Row, London SW1P 1JU	Non-trading	Ordinary	100.00	-
Boxmill Developments (Great Smith Street) Limited	As above	Non-trading	Ordinary	-	100.00
Grange (Prescot Street) Limited	As above	Non-trading	Ordinary	-	100.00
Grange Bracknell Limited	As above	Non-trading	Ordinary	100.00	-
Grange Contracts Limited	As above	Non-trading	Ordinary	100.00	-
Grange Hotels Limited	As above	Non-trading	Ordinary	100.00	-
Sectormatch Limited	As above	Non-trading	Ordinary	100.00	-
The City Hotel Management Limited	As above	Non-trading	Ordinary	100.00	-
The Holborn Hotel Limited	As above	Non-trading	Ordinary	100.00	-

17 Stocks

	2021 £	2020 £
Finished goods and goods for resale	-	68,405

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

18 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	717,964	769,118
Corporation tax recoverable	3,889,484	1,210,928
Amounts owed by group undertakings	3,845,674	16,985,341
Amounts owed by undertakings in which the Company has a participating interest	1,337,399	1,337,399
Other debtors	3,031,699	4,503,644
Prepayments and accrued income	2,059,500	2,241,768
	<u>14,881,720</u>	<u>27,048,198</u>

Amounts owed by group undertakings incur interest ranging from 0% - 4% and are repayable on demand.

Amounts owed by undertakings in which the Company has a participating interest are interest free and repayable on demand.

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	281,153	368,976
Amounts owed to group undertakings	21,795,617	23,601,477
Taxation and social security	233,752	109,233
Other creditors	3,895,234	3,291,327
Accruals and deferred income	742,167	1,461,942
	<u>26,947,923</u>	<u>28,832,955</u>

Amounts owed to group undertakings incur interest ranging from 0% - 4% and are repayable on demand.

20 Provisions for liabilities

	2021 £	2020 £
Onerous lease provision	-	12,500,000
Other provisions	-	287,955
	<u>-</u>	<u>12,787,955</u>

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

20 Provisions for liabilities (Continued)

Movements on provisions:

	Onerous lease provision £	Other provisions £	Total £
At 1 April 2020	12,500,000	287,955	12,787,955
Utilisation of provision	(12,500,000)	(287,955)	(12,787,955)
At 31 March 2021	-	-	-

During the year, the company terminated the lease of a hotel for which the above provisions related to and utilised the provisions.

21 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	62,406	131,881

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

22 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	150,001	150,001	150,001	150,001

The Company has one class of ordinary shares which have attached to them full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

23 Reserves

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

GLOBALGRANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

24 Operating lease commitments

Lessee

At the reporting end date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	163,800	2,159,744
Between one and five years	655,200	7,826,976
In over five years	81,900	11,167,164
	<u>900,900</u>	<u>21,153,884</u>

25 Related party transactions

Transactions with related parties

During the year, the Company recharged staff costs of £112,901 (2020: £2,572,831) to entities within the New Gem Holding Limited group, with all entities being under common control.

During the year, staff costs were recharged from GlobalGem Hotels Limited to the Company totalling £54,136 (2020: £30,777).

The following amounts, included within other creditors, were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due to related parties		
Entities under common control	3,309,138	3,009,308
Other related parties	<u>537,635</u>	<u>92,410</u>

The following amounts, included within other debtors, were outstanding at the reporting end date:

	2021 £	2020 £
Amounts due from related parties		
Entities under common control	<u>1,825,256</u>	<u>1,814,208</u>

The Company has taken advantage of the exemptions provided by section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group.

26 Ultimate controlling party

New Grange Holdings 3 Limited, a company incorporated in England and Wales, is the immediate and ultimate parent undertaking.

New Grange Holdings 3 Limited, is the parent of the smallest and largest group for which consolidated accounts including Globalgrange Limited are prepared. The consolidated accounts of New Grange Holdings 3 Limited are available from its registered office at 58 Rochester Row, Westminster, London, SW1P 1JU.