

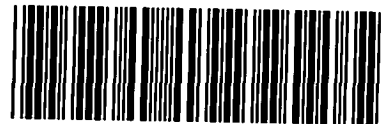
Company Registration No. 03887497 (England and Wales)

GRANGE BRACKNELL LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022**

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GRANGE BRACKNELL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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; 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.

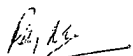
GRANGE BRACKNELL LIMITED**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	2	2,232,181		2,242,781	
Creditors: amounts falling due within one year	3	<u>(2,954,400)</u>		<u>(2,953,900)</u>	
Net liabilities			<u>(722,219)</u>		<u>(711,119)</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			<u>(722,220)</u>		<u>(711,120)</u>
Total equity			<u>(722,219)</u>		<u>(711,119)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28/06/23 and are signed on its behalf by:



Mr R S Matharu
Director

GRANGE BRACKNELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Grange Bracknell 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.

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, as applicable to companies subject to the 'small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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. The principal accounting policies adopted are set out below.

Going concern

The Company had net liabilities of £722,219 at 31 March 2022 (2021: £711,119). As a result of the impact of COVID-19 the Company is dependent on the continued support of its ultimate parent company New Grange Holdings 3 Limited ("NGH3").

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 2022, the Group headed by NGH3 had net liabilities of £9,285,000 (2021: £13,994,000), net current liabilities of £67,198,000 (2021: £62,140,000), cash at bank and in hand of £6,197,000 (2021: £11,774,000) and amounts owed to related parties of £76,046,000 (2021: £83,094,000) falling due within one year.

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.

The UK, alongside many other major economies, is expected to enter a mild but prolonged recession in 2023. Whilst this will have some effect on domestic and international custom, the Directors still expect sufficient growth post Covid from returning international tourist and business travellers, alongside the curtailing of foreign holidays within the UK, to sufficiently maintain demand at or above current levels in the short to medium term.

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.

GRANGE BRACKNELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

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.

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 amounts owed by group undertakings, 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.

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 other creditors and amounts owed to group undertakings, 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.

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.

GRANGE BRACKNELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

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.

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.

2 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	2,232,181	2,242,781

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

3 Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings	2,930,900	2,930,900
Other creditors	23,500	23,000
	2,954,400	2,953,900

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

4 Related party transactions

The Company has taken advantage of the exemptions provided by paragraph 1AC.35 of FRS 102 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.

5 Parent company

Globalgrange Limited, a company incorporated in England and Wales, is the immediate parent undertaking. New Grange Holdings 3 Limited, the ultimate parent undertaking, is the parent of the smallest and largest group for which consolidated accounts including Grange Bracknell Limited are prepared. The consolidated accounts of New Grange Holdings 3 Limited are available from its registered office 58 Rochester Row, Westminster, London SW1P 1JU.

GRANGE BRACKNELL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The audit report was disclaimed, as follows:

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 company 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.

The senior statutory auditor was Euan Banks FCA.

The auditor was RSM UK Audit LLP.