

COMPANY REGISTRATION NUMBER: 4974627

Grainger Residential Management Limited
Unaudited financial statements
30 September 2022

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Grainger Residential Management Limited

Financial statements

Year ended 30 September 2022

Contents	Pages
Officers and professional advisers	1
Strategic report	2 to 4
Directors' report	5 to 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the financial statements	10 to 18

Grainger Residential Management Limited

Officers and professional advisers

The board of directors	Helen C Gordon Adam McGhin Eliza Pattinson Rob J Hudson
Company secretary	Adam McGhin
Registered office	Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Banker	Barclays Bank plc 5 St Ann's Street Quayside Newcastle upon Tyne NE1 2BH
Solicitor	Womble Bond Dickinson (UK) LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

Grainger Residential Management Limited

Strategic report

Year ended 30 September 2022

The directors present their strategic report for the year ended 30 September 2022.

Principal activity

The principal activity of the company during the year was property management.

Strategy and business model

Grainger is the UK's largest listed provider of private rental homes in the Private Rented Sector ('PRS'). Our strategy is to be the leading provider of private rental homes in the UK and deliver sustainable, attractive returns to our shareholders by increasing overall income returns and improving the resilience and efficiency of our business model.

Our fully integrated business model and operating platform has three key pillars to ensure we are investing in, designing and operating the best possible homes while providing great service:

Originate - *planning, design and delivery*: Planning and creating sustainable buildings to our own specific design gives us control over the delivery and quality of new homes, whilst also ensuring our properties are efficient to run, lead the sector in health and safety, and are desirable to renters.

Invest - *research-backed capital allocation, geographic targeting, acquisitions and asset management*: Our investment process begins with comprehensive research to identify cities with the greatest demand and greatest growth potential. We invest in sites in safe neighbourhoods that provide residents with good proximity to public transport and local services.

Operate - *lettings, management and customer service*: With more than 100 years of experience in renting homes, we are committed to operational excellence and great customer service to achieve high occupancy rates and sustainable rental growth. Investment in technology and our online digital platform, CONNECT, secures our leading position in the market and enables our continued growth.

Review of the business

The company is a subsidiary of Grainger plc. The directors of Grainger plc, the ultimate parent undertaking, manage the group's strategy and risks at a group level, rather than at an individual company level. Similarly, the financial and operational performance of the business is assessed at an operating segment level. The directors of the company are satisfied with the results for the year ended 30 September 2022.

The company's directors believe that analysis using financial and non-financial measures is not necessary or appropriate to understand the business' development, performance or position. As such they have not been included within this report, but are included in the group's annual report.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. The principal risks and uncertainties of the group include:

- **Market and transactional**: Rising inflation and interest rates highlights both the rising cost of living for households and surging cost pressures on businesses leading to a slowdown in the UK economic recovery following the pandemic.
- **Financial**: The inability to obtain sufficient finance, and rising interest rates, arising from the external macro-environment which impacts the ability to fund the delivery of the growth strategy and maintain a strong capital structure.
- **Regulatory**: A failure to meet current regulatory obligations and adapt to ongoing requirements of changing policy proposals, and our ability to forward look and prepare for the future, understanding complexities of a changing regulatory landscape in which we operate.

Grainger Residential Management Limited

Strategic report (continued)

Year ended 30 September 2022

- **People:** A failure to attract, retain and develop an inclusive and diverse workforce to ensure we drive business transformation at a time of business growth, and a failure to retain our talented employees by providing development opportunities, workplace flexibility, a sense of purpose and remuneration.
- **Supplier:** Unprecedented pressures created by Covid-19, Brexit, and the latest military conflict in Ukraine, destabilising the economic environment and impacting on logistics and supply chain activities leading to a significant failure within, or by, a key third-party supplier or contractor.
- **Health and safety:** A significant health and safety incident, in particular a fire or gas safety incident or near-miss occurrence, owing to inadequate or inappropriately implemented procedures; our reputation as a leading landlord impacted by our ability and responsibility to understand and follow fire safety and building control requirements to protect our residents; and ensuring the performance of our portfolio aligns to our Environmental, Social and Governance standards.
- **Development:** The allocation of a portion of our capital to development activities which may be complex and potentially bring multiple related risks; increased costs including build cost inflation, labour and material shortages; and reduction in value through economic climate.
- **Cyber and information security:** The breach of confidential data or technology disruption due to an internal or external attack on our information systems and data or by internal security control failure.
- **Customer satisfaction:** Our ability to successfully retain our customers caused by a failure to fulfil our customer proposition and our service standards, amidst a backdrop of cost of living rises.
- **Climate change:** The impacts of climate change on our business and operations, including an extreme weather event, adaptation to changes in weather patterns, the cost and feasibility of transitioning our existing portfolio to a zero-carbon economy whilst ensuring our new build portfolio meets our ESG standards, and customer and investor preference for more energy efficient properties and growing stakeholder expectations.

Section 172 statement

This section of the strategic report describes how the directors have had regard to the matters set out in Section 172(1) of the Companies Act 2006 ('s172') when performing their duty to promote the success of the company for the benefit of its shareholders. As the company is a subsidiary of Grainger plc (the 'Group'), its parent company and other members of the Group are key stakeholders of the company. Accordingly, the interests of the Group have been taken into account by the directors and decisions have been made in agreement with the Board of Grainger plc. The approach to the matters set out in Section 172(1)(a) to (f) of the Companies Act 2006 are summarised as follows, and are detailed in the Grainger plc Annual Report.

- **The long term:** Grainger is committed to being a long-term investor in homes and communities, and delivering long-term success to our shareholders.
- **Employees:** Employees are at the heart of our business and our People Strategy focuses on delivering the highest levels of learning and development, wellbeing and inclusion.
- **Business relationships with suppliers, customers and partners:** The relationships with our key partners and suppliers are critical to our ability to deliver and maintain high-quality rental homes. Strong relationships with our customers supports retention and creates a community within our buildings.
- **The community and the environment:** We consider communities to encompass those created within our buildings as well as those around them, and actively seek ways to promote thriving communities and to minimise our impact on the environment.

Grainger Residential Management Limited

Strategic report *(continued)*

Year ended 30 September 2022

- **High standards of business conduct:** Grainger is proud to be a FTSE4Good business and adheres to the highest standards of business conduct in interactions with all our stakeholders.
- **Shareholders:** We conduct regular direct engagement with our shareholders through a range of channels, and ensure key issues raised are factored into strategic decision-making.

Future developments

The directors expect the performance of the company to continue satisfactorily for the foreseeable future.

This report was approved by the board of directors on 28 June 2023 and signed on behalf of the board by:



Adam McGhin
Company Secretary

Grainger Residential Management Limited

Directors' report

Year ended 30 September 2022

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2022.

Directors

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

Helen C Gordon
Adam McGhin
Eliza Pattinson
Rob J Hudson

(Appointed 11 November 2021)

Dividends

The directors do not recommend the payment of a dividend (2021: £nil).

Directors' responsibilities statement

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 (United Kingdom Accounting Standards and applicable law), including FRS 101 Reduced Disclosure Framework. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Grainger Residential Management Limited

Directors' report *(continued)*

Year ended 30 September 2022

This report was approved by the board of directors on 28 June 2023 and signed on behalf of the board by:



Adam McGhin
Company Secretary

Grainger Residential Management Limited

Statement of comprehensive income

Year ended 30 September 2022

	Note	2022 £	2021 £
Turnover	4	14,193,750	44,101,362
Gross profit		14,193,750	44,101,362
Administrative expenses		(12,392,405)	(19,828,155)
Operating profit	5	1,801,345	24,273,207
Other interest receivable and similar income	7	9,544	218
Interest payable and similar expenses	8	(142,009)	(95,767)
Profit before taxation		1,668,880	24,177,658
Tax on profit	9	(318,688)	(4,324,965)
Profit for the financial year and total comprehensive income		1,350,192	19,852,693

All the activities of the company are from continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

Grainger Residential Management Limited

Statement of financial position

30 September 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	4,256,651	1,393,975
Investments	11	470	470
		<u>4,257,121</u>	<u>1,394,445</u>
Current assets			
Debtors	12	3,115,569	6,414,037
Cash at bank and in hand		13,444,886	6,204,353
		<u>16,560,455</u>	<u>12,618,390</u>
Creditors: amounts falling due within one year	13	(13,633,981)	(9,671,401)
Net current assets		<u>2,926,474</u>	<u>2,946,989</u>
Total assets less current liabilities		<u>7,183,595</u>	<u>4,341,434</u>
Creditors: amounts falling due after more than one year	14	(2,175,651)	(683,682)
Net assets		<u>5,007,944</u>	<u>3,657,752</u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account	17	5,007,943	3,657,751
Shareholders' funds		<u>5,007,944</u>	<u>3,657,752</u>

For the year ending 30 September 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 28 June 2023, and are signed on behalf of the board by:



Adam McGhin
Director

Company registration number: 4974627

The notes on pages 10 to 18 form part of these financial statements.

Grainger Residential Management Limited

Statement of changes in equity

Year ended 30 September 2022

	Called up share capital £	Profit and loss account £	Total £
At 1 October 2020	1	(16,194,942)	(16,194,941)
Profit for the year	–	19,852,693	19,852,693
Total comprehensive income for the year	–	19,852,693	19,852,693
At 30 September 2021	1	3,657,751	3,657,752
Profit for the year	–	1,350,192	1,350,192
Total comprehensive income for the year	–	1,350,192	1,350,192
At 30 September 2022	1	5,007,943	5,007,944

The notes on pages 10 to 18 form part of these financial statements.

Grainger Residential Management Limited

Notes to the financial statements

Year ended 30 September 2022

1. General information

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

2. Statement of compliance

The financial statements of Grainger Residential Management Limited ("the company") for the year ended 30 September 2022 were authorised for issue by the board of directors on 28 June 2023 and the statement of financial position was signed on the board's behalf by Adam McGhin.

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

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

3. Accounting policies

Basis of preparation

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

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

Grainger Residential Management Limited

Notes to the financial statements *(continued)*

Year ended 30 September 2022

3. Accounting policies *(continued)*

Going concern

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

The company has net assets of £5,007,944 at 30 September 2022 and has generated a profit for the period then ended of £1,350,192. The company is a subsidiary of Grainger plc. The directors of Grainger plc, the ultimate parent undertaking, manage the group's strategy and risks on a consolidated basis, rather than at an individual entity level. Similarly, the financial and operating performance of the business is assessed at a Grainger plc operating segment level. For these reasons, the directors do not prepare cash flow forecasts at an individual entity level.

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

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

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

Grainger Residential Management Limited

Notes to the financial statements *(continued)*

Year ended 30 September 2022

3. Accounting policies *(continued)*

Disclosure exemptions

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

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

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

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

The company has considered the impact of the adoption of those new and revised International Financial Reporting Standards and interpretations that were effective for the first time from 1 October 2021. There has been no material impact on the company following the adoption of these standards.

Revenue recognition

Turnover comprises management fees, exclusive of VAT. Management fees are recognised when they become receivable.

Income tax

The taxation charge for the year represents the sum of the tax currently payable and deferred tax. The charge is recognised in the statement of comprehensive income according to the accounting treatment of the related transaction.

Current tax payable or receivable is based on the taxable income for the period and any adjustment in respect of prior periods and is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Tax payable upon the realisation of revaluation gains recognised in prior periods is recorded as a current tax charge with a release of the associated deferred tax.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will give rise to a future tax liability against which the deferred tax assets can be recovered.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Grainger Residential Management Limited

Notes to the financial statements *(continued)*

Year ended 30 September 2022

3. Accounting policies *(continued)*

Leases

The company occupies a number of its offices as a lessee. The net present value of the lease liabilities is recorded in the statement of financial position. The leased office space is included in the statement of financial position as a right-of-use asset in tangible assets and depreciated over the life of the lease. The company has elected not to recognise right-of-use assets and lease liabilities for low value assets and short term leases. The company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings - 3-5 years straight line

Investments

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

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade and other creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

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

Judgements and key sources of estimation uncertainty

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

4. Turnover

Turnover arises from:

	2022	2021
	£	£
Property management	14,193,750	44,101,362

Grainger Residential Management Limited

Notes to the financial statements (continued)

Year ended 30 September 2022

4. Turnover (continued)

The total turnover of the company has been derived from its principal activity wholly undertaken in the UK as defined in the strategic report.

5. Operating profit

Operating profit or loss is stated after charging:

	2022 £	2021 £
Amortisation of intangible assets	–	292,062
Depreciation of tangible assets	891,661	826,497
Operating lease rentals	409,288	392,642
Fees payable for the audit of the financial statements	487,572	527,828

Operating lease payments represent the lease payments made in the year relating to car leases under contract hire arrangements and operating lease payments relating to office equipment such as photocopiers. Contract hire car leases generally have a 3 year term.

6. Particulars of employees

There are no persons holding service contracts with the company (2020: none). None of the directors received any remuneration from the company during the year, or in the previous year, in respect of their services to the company.

7. Other interest receivable and similar income

	2022 £	2021 £
Interest on cash and cash equivalents	1,923	218
Other interest receivable and similar income	7,621	–
	9,544	218

8. Interest payable and similar expenses

	2022 £	2021 £
Interest payable on lease liabilities	142,009	95,767

9. Tax on profit

Major components of tax expense

	2022 £	2021 £
Current tax:		
UK current tax expense	286,018	4,508,985
Adjustments in respect of prior periods	(950,885)	–
Total current tax	(664,867)	4,508,985

Grainger Residential Management Limited

Notes to the financial statements (continued)

Year ended 30 September 2022

9. Tax on profit (continued)

	2022 £	2021 £
Deferred tax:		
Origination and reversal of temporary differences	983,555	(184,020)
Tax on profit	318,688	4,324,965

There is no unprovided deferred tax liability or unrecognised deferred tax asset in these financial statements.

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Profit on ordinary activities before taxation	1,668,880	24,177,658
Profit on ordinary activities by rate of tax	317,087	4,593,755
Adjustment to tax charge in respect of prior periods	–	(65,945)
Effect of (non taxable)/non tax deductible items	(234,452)	103,605
Impact of tax rate changes	236,053	(306,450)
Tax on profit	318,688	4,324,965

Factors that may affect future tax expense

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) has been enacted. This will increase the company's future current tax charge accordingly. Deferred tax at 30 September 2022 has been measured at 25% (2021: 25%).

10. Tangible assets

	Fixtures and fittings £	Total £
Cost		
At 1 October 2021	8,390,310	8,390,310
Additions	3,754,337	3,754,337
At 30 September 2022	12,144,647	12,144,647
Depreciation		
At 1 October 2021	6,996,335	6,996,335
Charge for the year	891,661	891,661
At 30 September 2022	7,887,996	7,887,996
Carrying amount		
At 30 September 2022	4,256,651	4,256,651
At 30 September 2021	1,393,975	1,393,975

Grainger Residential Management Limited

Notes to the financial statements (continued)

Year ended 30 September 2022

11. Investments

	Equity in participating interests £
Cost	
At 1 October 2021 and 30 September 2022	470
Impairment	
At 1 October 2021 and 30 September 2022	—
Carrying amount	
At 30 September 2022	470
At 30 September 2021	470

The company owns less than 1% of the capital of Grainger Treasury Property (2006) Limited Liability Partnership, a property investment partnership, and owns 30% of the share capital of Vesta (General Partner) Limited, both of whom are registered at Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

12. Debtors

	2022 £	2021 £
Trade debtors	111,366	1,011,497
Amounts owed by group undertakings	—	2,613,167
Deferred tax asset	293,321	1,276,876
Prepayments and accrued income	1,667,001	1,044,300
Other debtors	1,043,881	468,197
	3,115,569	6,414,037

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

13. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,285,177	5,670,252
Amounts owed to group undertakings	2,146,678	—
Accruals and deferred income	7,043,050	3,118,598
Lease liabilities	823,623	722,698
Other creditors	335,453	159,853
	13,633,981	9,671,401

The amount owed to group undertakings is unsecured, is repayable on demand, and does not bear interest.

Grainger Residential Management Limited

Notes to the financial statements (continued)

Year ended 30 September 2022

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

	2022	2021
	£	£
Lease liabilities	<u>2,175,651</u>	<u>683,682</u>

15. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2022	2021
	£	£
Included in debtors (note 12)	<u>293,321</u>	<u>1,276,876</u>

The deferred tax account consists of the tax effect of temporary differences in respect of:

	2022	2021
	£	£
Accelerated capital allowances	<u>(293,321)</u>	<u>(1,276,876)</u>

16. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

17. Reserves

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

18. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	824,684	722,698
Later than 1 year and not later than 5 years	896,753	683,682
Later than 5 years	<u>1,277,837</u>	<u>—</u>
	<u>2,999,274</u>	<u>1,406,380</u>

Leases relating to office space used by the company have initial terms of varying lengths, between one and ten years.

19. Related party transactions

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

Grainger Residential Management Limited

Notes to the financial statements *(continued)*

Year ended 30 September 2022

20. Ultimate parent undertaking and controlling party

The directors regard Grainger plc, a company registered in England and Wales, as the ultimate parent undertaking and the ultimate controlling party, being the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the Grainger plc consolidated financial statements may be obtained from The Secretary, Grainger plc, Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

Grainger plc is the immediate controlling party and parent company by virtue of its 100% shareholding in the company.