

Registered number: 08033407

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## GRAYSONS INNS LIMITED

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**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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**GRAYSONS INNS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Sir F H Mackay B H C Watson
<b>Registered number</b>	08033407
<b>Registered office</b>	Devon House Anchor Street Chelmsford Essex CM2 0GD
<b>Accountants</b>	Grant Thornton UK LLP Chartered Accountants Priory Place New London Road Chelmsford Essex CM2 0PP

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**GRAYSONS INNS LIMITED**

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**GRAYSONS INNS LIMITED**

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**DIRECTORS' REPORT  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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The directors present their report and the financial statements for the 6 month period ended 2 January 2022.

The period end has been shortened to bring the year end in line with the ultimate parent company. Amounts reflected in the financial statements may not be entirely comparable due to reporting for the current period being 6 months.

**Directors**

The directors who served during the 6 month period were:

Sir F H Mackay  
B H C Watson

**Going concern**

The financial statements show the company with positive net assets but net current liabilities. The financial statements have been prepared on a going concern basis, which assumes that the company has sufficient resources to enable it to continue operating and to meet its liabilities as they fall due. The directors believe the going concern assumption to be appropriate for the reasons set out below.

As part of the Graysons Hospitality Limited group of companies and this group's banking arrangements, the company has entered into multi-lateral guarantee with the other companies in the group and as such the ultimate parent undertaking has pledged, in the ordinary course of business, to continue to offer financial support for the foreseeable future and confirmed this in writing in a letter of support.

The group directors have prepared cash flow forecasts for 16 months from the date of signing these financial statements. The directors believe the forecasts to be prudent and have undertaken extensive sensitivity analysis to take account of known and potential risks including any legacy impact from the recent COVID-19 pandemic. The underlying assumption for the purposes of these forecasts is deemed to be prudent as it assumes that the group will see on an ongoing effect from the new norms brought about by the pandemic in 2022 and assumes lower volumes in key areas of the business than those experienced before the pandemic. Given the contractual and diverse nature of the group's business, however, there is a significant ability to mitigate future uncertainties.

The group benefits from the availability of an invoice finance facility provided by RBS the group's bankers and they have indicated their intention to continue to support the group and provide this facility to the group on an ongoing basis. The group also continues to enjoy the support of its major shareholder, Sir Francis Mackay, who has provided working capital for the group's development over many years and is committed to continuing to support the business to ensure its future development and expansion.

Further to this the group continues to be very active in tendering for new contracts and has been successful in securing 8 new contracts in the last 8 months with annual Turnover of approximately £8m and with a significant further value of new contracts currently being tendered and due to be tendered within the next 12 months. As a result of this continued activity the directors reasonably expect to gain further new business following the recent contract additions, the group's established reputation and the consolidation of competitors in the marketplace in recent years but as the forecast sensitivity analysis shows, the group is not reliant upon further new contract additions to support the adoption of the going concern principle.

Given all of these factors and the fact that the forecasts demonstrate the ability of the group to operate within its existing facilities the Board has a reasonable expectation that the group has adequate resources to continue the group's operations for the foreseeable future.

For the reasons laid out above the Board continues to adopt the going concern basis in preparing these financial statements.

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**GRAYSONS INNS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 2/9/2022 and signed on its behalf.

*Sir Francis Mackay*

**Sir F H Mackay**  
Director



**Report to the directors on the preparation of the unaudited statutory financial statements of Graysons Inns Limited for the 6 month period ended 2 January 2022**

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We have compiled the accompanying financial statements of Graysons Inns Limited (the 'company') based on the information you have provided. These financial statements comprise the Statement of Financial Position of Graysons Inns Limited as at 2 January 2022, the Statement of Comprehensive Income for the 6 month period then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), 'Compilation Engagements'.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com)

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter dated 16 May 2022. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Company's directors, as a body, in this report in accordance with our engagement letter dated 16 May 2022. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its directors, as a body, for our work or for this report.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

Chartered Accountants

Chelmsford

Date: 2/9/2022

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**GRAYSONS INNS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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During the 6 month period and the preceding financial period, the company received no income and incurred no expenditure and therefore made neither profit or loss.

The notes on pages 6 to 9 form part of these financial statements.

**GRAYSONS INNS LIMITED**  
**REGISTERED NUMBER:08033407**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 2 JANUARY 2022**

		2 January 2022 £000	27 June 2021 £000
	Note		
<b>Fixed assets</b>			
Investment property	5	815	759
		<u>815</u>	<u>759</u>
Creditors: amounts falling due within one year	6	(223)	(167)
<b>Total assets less current liabilities</b>		<u>592</u>	<u>592</u>
<b>Net assets</b>		<u><u>592</u></u>	<u><u>592</u></u>
<b>Capital and reserves</b>			
Called up share capital	7	500	500
Profit and loss account	8	92	92
		<u>592</u>	<u>592</u>

The directors consider that the company is entitled to exemption from audit under section 479A of the Companies Act 2006 and members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2/9/2022

*Sir Francis Mackay*  
**Sir F H Mackay**  
 Director

The notes on pages 6 to 9 form part of these financial statements.



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**GRAYSONS INNS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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**1. General information**

Graysons Inns Limited is a private company limited by shares and incorporated in England and Wales. Registered number 08033407. Its registered head office is located at Devon House, Anchor Street, Chelmsford, Essex, CM2 0GD.

The principal activity was that of the holding of property.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling (£).

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

The company's parent undertaking, Graysons Hospitality Limited, has provided a guarantee over the liabilities of the company under section 479C of the Companies Act 2006 such that the company can claim exemption from audit under section 479A.

The following principal accounting policies have been applied:

**2.2 Going concern**

The financial statements show the company with positive net assets but net current liabilities. The financial statements have been prepared on a going concern basis, which assumes that the company has sufficient resources to enable it to continue operating and to meet its liabilities as they fall due. The directors believe the going concern assumption to be appropriate for the reasons set out below.

As part of the Graysons Hospitality Limited group of companies and this group's banking arrangements, the company has entered into multi-lateral guarantee with the other companies in the group and as such the ultimate parent undertaking has pledged, in the ordinary course of business, to continue to offer financial support for the foreseeable future and confirmed this in writing in a letter of support.

The group directors have prepared cash flow forecasts for 16 months from the date of signing these financial statements. The directors believe the forecasts to be prudent and have undertaken extensive sensitivity analysis to take account of known and potential risks including any legacy impact from the recent COVID-19 pandemic. The underlying assumption for the purposes of these forecasts is deemed to be prudent as it assumes that the group will see on an ongoing effect from the new norms brought about by the pandemic in 2022 and assumes lower volumes in key areas of the business than those experienced before the pandemic. Given the contractual and diverse nature of the group's business, however, there is a significant ability to mitigate future uncertainties.

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**GRAYSONS INNS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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**2. Accounting policies (continued)**

**2.2 Going concern (continued)**

The group benefits from the availability of an invoice finance facility provided by RBS the group's bankers and they have indicated their intention to continue to support the group and provide this facility to the group on an ongoing basis. The group also continues to enjoy the support of its major shareholder, Sir Francis Mackay, who has provided working capital for the group's development over many years and is committed to continuing to support the business to ensure its future development and expansion.

Further to this the group continues to be very active in tendering for new contracts and has been successful in securing 8 new contracts in the last 8 months with annual Turnover of approximately £8m and with a significant further value of new contracts currently being tendered and due to be tendered within the next 12 months. As a result of this continued activity the directors reasonably expect to gain further new business following the recent contract additions, the group's established reputation and the consolidation of competitors in the marketplace in recent years but as the forecast sensitivity analysis shows, the group is not reliant upon further new contract additions to support the adoption of the going concern principle.

Given all of these factors and the fact that the forecasts demonstrate the ability of the group to operate within its existing facilities the Board has a reasonable expectation that the group has adequate resources to continue the group's operations for the foreseeable future.

For the reasons laid out above the Board continues to adopt the going concern basis in preparing these financial statements.

**2.3 Investment property**

Investment property is carried at fair value determined by external valuers and the directors and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

**2.4 Creditors**

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

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

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

Property Valuations

Property valuations are obtained on a cyclical basis, the most recent of which was July 2020, by Lambert Smith Hampton. Between valuations, management consider whether there are any factors which indicate that the value of the properties has changed.

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**GRAYSONS INNS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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**4. Employees**

The only employees were the directors, who did not receive any remuneration.

**5. Investment property**

	<b>Freehold investment property £000</b>
<b>Valuation</b>	
At 28 June 2021	759
Additions at cost	56
<b>At 2 January 2022</b>	<b>815</b>

A valuation was obtained from Lambert Smith Hampton in July 2020, on an open market value. The directors confirm that the carrying value at 2 January 2022 as disclosed above is fair value.

**6. Creditors: Amounts falling due within one year**

	<b>2 January 2022 £000</b>	<i>27 June 2021 £000</i>
Amounts owed to group undertakings	<b>223</b>	<i>167</i>

**7. Share capital**

	<b>2 January 2022 £000</b>	<i>27 June 2021 £000</i>
<b>Allotted, called up and fully paid</b>		
500,000 (2021 - 500,000) Ordinary shares of £1 each	<b>500</b>	<i>500</i>

All ordinary shares carry equal ordinary voting and dividend rights.

Share capital represents the nominal amount paid for shares.

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**GRAYSONS INNS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE 6 MONTH PERIOD ENDED 2 JANUARY 2022**

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**8. Reserves**

**Profit and loss account**

Includes retained profits less any dividends paid.

**9. Contingent liabilities**

The company has entered into a multi-lateral guarantee with other members of the group headed by the company's parent undertaking, Graysons Hospitality Limited. The potential group liability as at 2 January 2022 in respect of this guarantee was £Nil (2021: £45,682).

**10. Related party transactions**

The company is a wholly owned subsidiary of Graysons Hospitality Limited, the group accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 102 from disclosing transactions with members of the Graysons Hospitality Limited group.

**11. Controlling party**

The directors consider the immediate and ultimate parent undertaking to be Graysons Hospitality Limited, a company incorporated in England and whose financial statements are publicly available. The smallest and largest group for which consolidated financial statements are prepared is that headed by Graysons Hospitality Limited. Financial statements can be obtained from Companies House. Sir F H Mackay is considered to be the ultimate controlling party by virtue of his shareholding in Graysons Hospitality Limited.