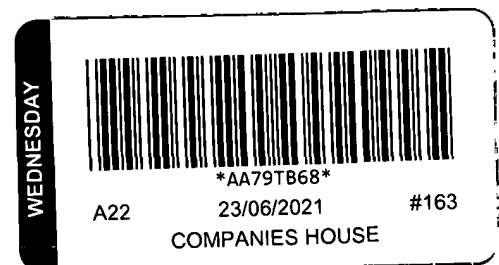


Registered number: 09474151

GROSVENOR SQUARE INVESTMENTS LIMITED
UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 MARCH 2020



GROSVENOR SQUARE INVESTMENTS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|---|
| Directors | J. Holmes Auchroisk Holdings Limited |
| Company secretary | B. Sumner |
| Registered number | 09474151 |
| Registered office | 85 Great Portland Street London W1W 7LT |

GROSVENOR SQUARE INVESTMENTS LIMITED

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GROSVENOR SQUARE INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 MARCH 2020

The directors present their report and the unaudited consolidated financial statements for the year ended 30 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The consolidated loss for the year amounted to £6,600,663 (2019 – consolidated loss £3,939,685). The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year were:

J. Holmes
Auchroisk Holdings Limited

Future developments

The Group intends to raise finance to carry out its planned investment activities.

Post balance sheet events

Details of significant post balance sheet events are provided in note 20 to the financial statements.

This report was approved by the board on 18 June 2021 and signed on its behalf by:



J. Holmes
Director

GROSVENOR SQUARE INVESTMENTS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 MARCH 2020**

| | Note | 2020 £ | 2019 £ |
|---|------|-------------|-------------|
| Turnover | 4 | . | 819,936 |
| Cost of sales | | . | (177,108) |
| | | <hr/> | <hr/> |
| Gross profit | | . | 642,828 |
| Administrative expenses | | (6,257,794) | (4,808,846) |
| Other operating income | | 18 | 63 |
| | | <hr/> | <hr/> |
| Operating loss | 5 | (6,257,776) | (4,165,955) |
| Gain on disposal of investments | | - | 250,000 |
| Share of results of associates | 10 | (175,170) | - |
| Interest payable and similar charges | 7 | (167,717) | (23,730) |
| | | <hr/> | <hr/> |
| Loss before tax | | (6,600,663) | (3,939,685) |
| | | <hr/> | <hr/> |
| Loss for the financial year | | (6,600,663) | (3,939,685) |
| | | <hr/> | <hr/> |
| Loss for the year attributable to: | | | |
| Owners of the parent company | | (2,244,225) | (1,690,125) |
| Non controlling interests | | (4,356,438) | (2,249,560) |
| | | <hr/> | <hr/> |
| | | (6,600,663) | (3,939,685) |
| | | <hr/> | <hr/> |

There were no recognised gains or losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 11 to 25 form part of these financial statements.

GROSVENOR SQUARE INVESTMENTS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 MARCH 2020**

| | Note | 2020 £ | 2019 £ |
|--|------|--------------------|--------------------|
| Fixed assets | | | |
| Intangible assets | 8 | 26,447,181 | 30,205,350 |
| Tangible assets | 9 | - | 65,244 |
| Investments | 10 | - | 175,170 |
| | | <u>26,447,181</u> | <u>30,445,764</u> |
| Current assets | | | |
| Debtors | 11 | 595,856 | 2,550,847 |
| Cash at bank and in hand | 12 | 800 | 19,220 |
| | | <u>596,656</u> | <u>2,570,067</u> |
| Creditors: amounts falling due within one year | 13 | (1,080,360) | (6,293,667) |
| Net current liabilities | | <u>(483,704)</u> | <u>(3,723,600)</u> |
| Total assets less current liabilities | | <u>25,963,477</u> | <u>26,722,164</u> |
| Creditors: amounts falling due after more than one year | 14 | (2,279,743) | (440,000) |
| Provisions for liabilities | | | |
| Deferred taxation | | - | 129,520 |
| Net assets | | <u>23,683,734</u> | <u>26,411,684</u> |
| Capital and reserves | | | |
| Called up share capital | 17 | 100 | 100 |
| Capital contribution reserve | 18 | 29,718,209 | 29,696,724 |
| Other reserve | 18 | 3,851,228 | - |
| Profit and loss account | 18 | (5,410,888) | (3,166,663) |
| Equity attributable to owners of the parent Company | | <u>28,158,649</u> | <u>26,530,161</u> |
| Non-controlling interests | | <u>(4,474,915)</u> | <u>(118,477)</u> |
| | | <u>23,683,734</u> | <u>26,411,684</u> |

Cont/

GROSVENOR SQUARE INVESTMENTS LIMITED

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 MARCH 2020
(continued)**

For the year ending 30 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered 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 18 June 2020



.....
J. Holmes
Director

Registration No. 09474151

The notes on pages 11 to 25 form part of these financial statements.

GROSVENOR SQUARE INVESTMENTS LIMITED

**COMPANY STATEMENT OF FINANCIAL
POSITION AS AT 30 MARCH 2020**

| | Note | 2020 £ | 2019 £ |
|---|------|-------------------|-------------------|
| Fixed assets | | | |
| Investments | 10 | 29,718,209 | 29,696,724 |
| | | <u>29,718,209</u> | <u>29,696,724</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 11 | 15,745 | 25,667 |
| Current liabilities | | | |
| Creditors: amounts falling due after more than one year | 13 | (22,845) | (25,567) |
| Net current assets/(liabilities) | | (7,100) | 100 |
| Net assets | | <u>29,711,109</u> | <u>29,696,824</u> |
| Capital and reserves | | | |
| Called up share capital | 17 | 100 | 100 |
| Capital contribution reserve | 18 | 29,718,209 | 29,696,724 |
| Profit and loss account | 18 | (7,200) | - |
| | | <u>29,711,109</u> | <u>29,696,824</u> |

For the year ending 30 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered 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 18 June 2020

.....
J. Holmes
Director

Registration No. 09474151

The notes on pages 11 to 25 form part of these financial statements.

GROSVENOR SQUARE INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 MARCH 2020

| | Called up Share capital | Capital contribution Reserve | Other Reserve | Profit and loss account | Equity attributable to owners of the parent company | Non controlling interests | Total |
|--|----------------------------|---------------------------------|------------------|----------------------------|---|------------------------------|-------------|
| | £ | £ | £ | £ | £ | £ | £ |
| At 31 March 2019 | 100 | 29,896,724 | - | (3,166,663) | 26,530,161 | (118,477) | 26,411,684 |
| Comprehensive income for the year: | | | | | | | |
| Loss for the year | - | - | - | (2,244,225) | (2,244,225) | (4,356,438) | (6,600,663) |
| Total comprehensive income for the year | - | - | - | (2,244,225) | (2,244,225) | (4,356,438) | (6,600,663) |
| Acquisition of additional interest in subsidiaries | - | 21,485 | - | - | 21,485 | - | 21,485 |
| Premium on cancellation of shares by subsidiary | - | - | 3,851,228 | - | 3,851,228 | - | 3,851,228 |
| Total transactions with owners | - | 21,485 | 3,851,228 | - | 3,872,713 | - | 3,872,713 |
| At 30 March 2020 | 100 | 29,718,209 | 3,851,228 | (5,410,888) | 28,158,649 | (4,474,915) | 23,683,734 |

The notes on pages 11 to 25 form part of these financial statements.

GROSVENOR SQUARE INVESTMENTS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 MARCH 2019

| | Called up Share capital £ | Capital contribution Reserve £ | Other Reserve £ | Profit and loss account £ | Equity attributable to owners of the parent company £ | Non controlling Interests £ | Total £ |
|---|---------------------------------|--------------------------------------|-----------------------|---------------------------------|--|-----------------------------------|-------------|
| At 31 March 2018 | 100 | 29,556,724 | - | (1,476,538) | 28,080,286 | 2,131,083 | 30,211,369 |
| Comprehensive income for the year: | | | | | | | |
| Loss for the year | - | - | - | (1,690,125) | (1,690,125) | (2,249,560) | (3,939,685) |
| Total comprehensive income for the year | - | - | - | (1,690,125) | (1,690,125) | (2,249,560) | (3,939,685) |
| Acquisition of additional interest in subsidiaries | - | 140,000 | - | - | 140,000 | | 140,000 |
| Total transactions with owners | - | 140,000 | - | - | 140,000 | - | 140,000 |
| At 30 March 2019 | 100 | 29,696,724 | - | (3,166,663) | 26,530,161 | (118,477) | 26,411,684 |

The notes on pages 11 to 25 form part of these financial statements.

GROSVENOR SQUARE INVESTMENTS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 MARCH 2020**

| | Called up Share capital | Capital contribution reserve | Profit and loss account | Total |
|--|------------------------------------|---|------------------------------------|--------------|
| | £ | £ | £ | £ |
| At 1 April 2018 | 100 | 29,556,724 | - | 29,556,824 |
| Loss for the year | - | - | - | - |
| Acquisition of additional interests in subsidiaries | - | 140,000 | - | 140,000 |
| At 30 March 2018 and 31 March 2019 | 100 | 29,696,724 | - | 29,696,824 |
| Acquisition of additional interests in subsidiaries | - | 21,485 | - | 21,485 |
| Loss for the year | - | - | (7,200) | (7,200) |
| At 30 March 2020 | 100 | 29,718,209 | (7,200) | 29,711,109 |

The notes on pages 11 to 25 form part of these financial statements.

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2020

1. General information

The company is incorporated in England and Wales as a public limited company with its registered office at 85 Great Portland Street, London, W1W 7LT

The company acts as an investment holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The Company is not required to prepare consolidated financial statements as it is part of a small group, but has voluntarily chosen to do so in accordance with FRS 102 1A.21-22.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The consolidated financial statements have not been audited.

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are eliminated.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In preparing these consolidated financial statements, the Directors have used the audited financial statements for Holmes Investment properties PLC for the year ended 31 March 2020. Other subsidiaries have been consolidated using unaudited management information.

2.3 Going concern

The Group's current liabilities exceed its current assets by £483,704. However, the Company has received confirmation of continuing financial support from its shareholders for at least the next 12 months. On this basis the Directors believe that the Company and the Group are a going concern and that it is appropriate to prepare the financial statements on a going concern basis.

In considering their assessment of going concern, the Directors have taken into consideration the impact of the Covid-19 pandemic on the businesses of the Company's subsidiaries. This is further described in note 20, 'Post balance sheet events'.

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2020

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2020

2. Accounting policies (continued)

2.6 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Borrowing costs

Borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period in which they are incurred.

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 10 years.

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2020

2. Accounting policies (continued)

2.10 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|---------------------------|-----------------------|
| L/Term Leasehold Property | - Over 10 or 33 years |
| Plant and machinery | - Over 3 or 10 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.11 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Statement of Financial Position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2020

2. Accounting policies (continued)

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.14 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.

2.15 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 MARCH 2020

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

The preparation of financial statements requires the Board of Directors to make estimates and judgments. The key area where these estimates and judgments may have a material effect is as follows:

Goodwill arising on consolidation of subsidiaries is considered to have a useful life of 10 years. After consideration of the effects of the Covid-19 pandemic on the Company's principal subsidiary, Holmes Investment Properties PLC, the Directors' have concluded that no provision for impairment of the goodwill is required. The carrying values of investments in subsidiaries held by the Company are considered not to require impairment following a review of their operations. Investments in associates have been impaired to £Nil.

4. Turnover

No turnover was earned during the year. Turnover in the prior year was derived from management fees.

5. Operating loss

The operating loss is stated after charging:

| | 2020 £ | 2019 £ |
|---------------------------------------|------------------|------------------|
| Depreciation of tangible fixed assets | 65,244 | 234,783 |
| Amortisation of goodwill | 3,758,169 | 3,758,169 |
| | <u>3,823,413</u> | <u>4,000,000</u> |

6. Employees

Staff costs, including directors' remuneration, were as follows:

| | 2020 £ | 2019 £ |
|-----------------------|----------------|---------------|
| Wages and salaries | 137,464 | 94,475 |
| Social security costs | 12,264 | - |
| | <u>149,728</u> | <u>94,475</u> |

The average monthly number of employees, including the directors, during the year was as follows:

| | 2020 No. | 2019 No. |
|-------------------------|-------------|-------------|
| Directors and employees | 4 | 4 |

7. Interest payable and similar charges

| | 2019 £ | 2018 £ |
|-----------------------------|-----------|-----------|
| Other loan interest payable | 167,717 | 23,730 |

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2020

8. Intangible assets

Group

| | Goodwill £ |
|------------------------------------|-------------------|
| Cost | |
| At 31 March 2019 and 30 March 2020 | 37,721,688 |
| Amortisation | |
| At 31 March 2019 | 7,516,338 |
| Charge for the year | 3,758,169 |
| At 31 March 2019 | 11,274,507 |
| Net book value | |
| At 30 March 2020 | 26,447,181 |
| <i>At 30 March 2019</i> | <i>30,205,350</i> |

GROSVENOR SQUARE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2020**

9. Tangible fixed assets

Group

| | L/Term Leasehold Property £ | Plant and machinery £ | Total £ |
|------------------------------------|--------------------------------------|-----------------------------|------------|
| Cost | | | |
| At 31 March 2019 and 30 March 2020 | 111,268 | 188,759 | 300,027 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| At 31 March 2019 | 50,006 | 184,777 | 234,783 |
| Charge for the year | 61,262 | 3,982 | 65,244 |
| At 30 March 2020 | 111,268 | 188,759 | 234,783 |
| | <hr/> | <hr/> | <hr/> |
| Net book value | | | |
| At 30 March 2020 | - | - | - |
| | <hr/> | <hr/> | <hr/> |
| At 30 March 2019 | 61,262 | 3,982 | 65,244 |
| | <hr/> | <hr/> | <hr/> |

GROSVENOR SQUARE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2020**

10. Fixed asset investments

Group

| | Investments in associates £ | Total £ |
|--------------------------|--------------------------------------|-------------|
| Cost or valuation | | |
| At 31 March 2019 | 175,170 | 175,170 |
| Impairment | (175,170) | (175,170) |
| | <hr/> | <hr/> |
| At 30 March 2020 | - | - |
| | <hr/> <hr/> | <hr/> <hr/> |

The group's share of the losses of the associates exceed its investment and this has been impaired to £Nil.

Company

| | Investments in subsidiaries £ | Total £ |
|--------------------------|--|-------------|
| Cost or valuation | | |
| At 31 March 2019 | 29,696,724 | 29,696,724 |
| Additions | 21,485 | 21,485 |
| | <hr/> | <hr/> |
| At 30 March 2020 | 29,718,209 | 29,718,209 |
| | <hr/> <hr/> | <hr/> <hr/> |

Subsidiary undertakings

The following were the principal subsidiary undertakings of the Company:

| Name | Registered office | Class of shares | Equity interest |
|----------------------------------|--|--------------------|--------------------|
| Holmes Investment Properties PLC | 85 Great Portland Street, London W1W 7LT | Ordinary * | 34% |
| Ashtour Limited (1) | Beverley Park Golf Range, Beverley Way, New Malden, Surrey KT3 4PH | Ordinary | 100% |
| UK Adventure Parks Limited (1) | 85 Great Portland Street, London W1W 7LT | Ordinary | 100% |

* The Company also holds 283,786,279 preference shares, 94.6% of the preference shares in issue.
(1) Held by Holmes Investment Properties PLC

GROSVENOR SQUARE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2020**

10. Fixed asset investments (continued)

Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 30 March 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| Name | Aggregate of share capital and reserves £ | Profit/(Loss) £ |
|----------------------------------|---|--------------------|
| Holmes Investment Properties PLC | 51,012,221 | (2,350,303) |
| Ashtour Limited | 94,459 | (7,014) |
| UK Adventure Parks Limited | <u>7,700</u> | <u>-</u> |

Associates

The following are associates of the Company,:

| Name | Registered office | Class of shares | Holding |
|---------------------------------------|--|--------------------|---------|
| Everyone Entertained Limited (1) | Beverley Park Golf Range, Wyvern Estate, Beverley Way, New Malden KT3 4PH | Ordinary | 48% |
| David Lloyd's Adrenalin World Ltd (2) | 16 High Holborn, London WC1V 6BX | Ordinary | 35% |

(1) held through Holmes Investment Properties PLC

(2) held through UK Adventure Parks Limited

11. Debtors

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|---|--------------------|--------------------|----------------------|----------------------|
| Amounts owed by related companies | 87,534 | - | - | - |
| Other debtors | 205,468 | 2,468,342 | 15,645 | 25,667 |
| Amounts owed by joint ventures and associates | 302,854 | - | - | - |
| | <u>595,856</u> | <u>2,468,342</u> | <u>15,645</u> | <u>25,667</u> |

GROSVENOR SQUARE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2020**

12. Cash and cash equivalents

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Cash at bank and in hand | 800 | 19,220 | - | - |
| Less: bank overdrafts | (40,086) | (36,085) | - | - |
| | <u>(39,286)</u> | <u>(16,865)</u> | <u>-</u> | <u>-</u> |

13. Creditors: Amounts falling due within one year

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank overdrafts | 40,086 | 36,085 | - | - |
| Other loans | 175,000 | 175,000 | - | - |
| Loan notes | 35,000 | 425,000 | - | - |
| Trade creditors | 308,475 | 190,984 | - | - |
| Other taxation and social security | 19,446 | 111,910 | - | - |
| Other creditors | 317,464 | 5,125,662 | 22,845 | 25,567 |
| Accruals and deferred income | 184,889 | 229,026 | - | - |
| | <u>1,080,360</u> | <u>6,293,667</u> | <u>22,845</u> | <u>25,567</u> |

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

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|-------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Loan notes | 2,243,743 | 390,000 | - | - |
| Other loans | 36,000 | 50,000 | - | - |
| | <u>2,279,743</u> | <u>440,000</u> | <u>-</u> | <u>-</u> |

GROSVENOR SQUARE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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15. Loans

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|--------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Amounts falling due within one year: | | | | |
| Loan notes | 35,000 | - | - | - |
| Other loans | 175,000 | 339,000 | | |
| Amounts falling due 1-2 years: | | | | |
| Loan notes | 2,243,743 | 390,000 | - | - |
| Other loans | 36,000 | 50,000 | | |
| | <u>2,279,743</u> | <u>440,000</u> | <u>-</u> | <u>-</u> |
| | <u>2,489,743</u> | <u>779,000</u> | <u>-</u> | <u>-</u> |

The loan notes are secured by debentures over the assets of Holmes Investment Properties PLC and a general charge over the shares of that company. The other loans are secured by a charge over the shares of Ashtour Limited.

16. Financial instruments

| | Group 2020 £ | Group 2019 £ | Company 2020 £ | Company 2019 £ |
|---|--------------------|--------------------|----------------------|----------------------|
| Financial assets | | | | |
| Financial assets measured at fair value through profit or loss | 800 | 19,200 | - | - |
| Financial assets that are debt instruments measured at amortised cost | 595,856 | 2,468,342 | 15,745 | 25,667 |
| | <u>596,656</u> | <u>2,487,542</u> | <u>15,745</u> | <u>25,667</u> |
| Financial liabilities | | | | |
| Financial liabilities measured at amortised cost | (6,966,910) | (6,412,726) | (22,845) | (25,567) |

Financial assets measured at fair value through profit or loss comprise cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise other debtors.

Financial liabilities measured at amortised cost comprise loans and other short term payables.

GROSVENOR SQUARE INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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17. Share capital

| | 2020 £ | 2019 £ |
|---|------------|------------|
| Allotted, called up and fully paid | | |
| 100 Ordinary shares of £1 each | 100 | 100 |
| | <u>100</u> | <u>100</u> |

18. Reserves

Capital contribution reserve

The capital contribution represents advances from the Company's shareholders to acquire the investments, and which will be converted into equity shares of the Company.

Other reserve

During the year, Holmes Investment Properties PLC cancelled preference shares, as further explained in note 20. The premium of £3,851,228 was adjusted to a capital redemption reserve in Holmes Investment Properties PLC, and has been recorded as an other reserve in these consolidated financial statements.

Profit and loss account

Represents cumulative profits and losses of the Group and the Company.

19. Related party transactions

During the year, the company rented office space from Robert Holmes Ltd, a company controlled by the Company's ultimate controlling party, James Holmes. The rentals payable during the year were £7,500.

Balances with related companies disclosed elsewhere in these consolidated financial statements are unsecured, interest-free and have no fixed repayment terms.

During the year, Holmes Investment Properties PLC recorded receipts of £1,847,962 (2019: £103,767) and payments of £1,865,175 (2019: £256,043) with HIP (Operations) Limited, a related company of Grosvenor Square Investments Limited.

20. Post balance sheet events

The following post balance sheet events are disclosed in the financial statements of Holmes Investment Properties PLC, the Group's principal operating subsidiary, and are therefore relevant to the Grosvenor Square Investments Limited group. They should also be read in conjunction with note 2.3 and note 3 to these consolidated financial statements.

Following the general meeting of 28 February 2020, the 300million preferred shares of €0.10 were split into 300million preferred shares of €0.01 and 300 million deferred preference shares of €0.09 at that date and the deferred preference shares were cancelled on 1 May 2020.

500 ordinary shares were cancelled on 27 September 2020. On 16 March 2021, 34,300,000 ordinary shares were cancelled following the liquidation of World Stock and Bond Trade Limited (WSBT).

GROSVENOR SQUARE INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

20. Post balance sheets events(continued)

As with many businesses, the year ended 31 March 2021 was severely impacted by Covid-19. The principal impact of Covid-19 to date has been the disruption caused to the process of fundraising which has delayed the Company's ability to execute its strategy, to invest in leisure companies, providing strategic, management and financial support. This has resulted in delays in providing that support to the development of Everyone Entertained and Adrenaline World as well as signing up new brands although work has continued, in particular on design and pre-planning preparatory work at both the Everyone Entertained and Adrenaline World's sites.

Covid also clearly impacted the trading performance of the Ashtour World of Golf business, partially offset by Government support. The management of Ashtour have taken the opportunity afforded by lockdown to enhance the facilities and are confident that trading will recover to better than historic levels when allowed.

On 22 July 2020 the Company entered into a loan agreement with Robert Holmes Ltd, a company controlled by the Company's ultimate controlling party, James Holmes. This provided the Company with a £500,000 borrowing facility at 8% coupon, fully repayable by 30 November when the directors expected funding to be in place.

Following delays in procuring the funding the loan was, by mutual consent, rolled over and on 25 May the Company agreed fresh terms, increasing the facility to £750,000 maturing on the earlier of 31 May 2022 and the date on which a minimum of £1,500,000 of funding was received. A coupon of 12% is chargeable, payable when the principal is repaid. The revised terms also require the Company to issue Secured Loan Notes with a face value of £750,000 maturing 31 August 2023, redeemable for £1 on repayment of the loan and associated interest. No coupon will be payable on the Loan Notes issued unless the Company fails to repay the loan.

The directors are in negotiations to finalise funding which they expect to crystallise in the current financial year (to March 2022). Commissions of up to £4,500,000 in a combination of shares and cash on the receipt of £180million net funding would become payable to James Holmes, the ultimate controlling party, if talks were successful. Shares payable as commission would be issued at the quoted price on the Berlin market as of 25 May 2021, €0.005. In considering the commission payable, the directors have taken independent advice and are satisfied that the agreement is in the best interests of shareholders. The directors stress that at the date these statements are signed there is no certainty that these funds will be realised and that commissions only become payable on the receipt of cash funds.

21. Ultimate controlling party

The directors regard Auchroisk Holdings Limited as being the ultimate parent undertaking and James Holmes as being the ultimate controlling party.