

Registered number: 11023668

## BLUE ORCHID HOLDINGS LIMITED

### FINANCIAL STATEMENTS

### INFORMATION FOR FILING WITH THE REGISTRAR

### FOR THE YEAR ENDED 31 DECEMBER 2020



**BLUE ORCHID HOLDINGS LIMITED**  
**REGISTERED NUMBER: 11023668**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	4	19	19
		<u>19</u>	<u>19</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	382,169,274	381,649,530
Cash at bank and in hand		3,105,907	3,097,526
		<u>385,275,181</u>	<u>384,747,056</u>
Creditors: amounts falling due within one year	6	(20,462)	(187,067)
<b>Net current assets</b>		<u>385,254,719</u>	<u>384,559,989</u>
<b>Total assets less current liabilities</b>		<u>385,254,738</u>	<u>384,560,008</u>
<b>Net assets</b>		<u><u>385,254,738</u></u>	<u><u>384,560,008</u></u>
<b>Capital and reserves</b>			
Called up share capital	7	-	-
Share premium account	8	207,125,832	207,125,832
Profit and loss account	8	178,128,906	177,434,176
		<u>385,254,738</u>	<u>384,560,008</u>

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2021.



**Tejinderpal Singh Matharu**  
Director

The notes on pages 3 to 9 form part of these financial statements.

**BLUE ORCHID HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	-	207,125,832	177,434,176	384,560,008
<b>Comprehensive income for the period</b>				
Profit for the period	-	-	694,730	694,730
<b>Total comprehensive income for the period</b>	-	-	694,730	694,730
<b>At 31 December 2020</b>	-	207,125,832	178,128,906	385,254,738

The notes on pages 3 to 9 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2019	-	-	(206)	(206)
<b>Comprehensive income for the 9 month period</b>				
Profit for the 9 month period	-	-	2,773,560	2,773,560
Shares issued during the 9 month period	-	381,786,654	-	381,786,654
Transfer to/from profit and loss account	-	(174,660,822)	174,660,822	-
<b>Total transactions with owners</b>	-	207,125,832	174,660,822	381,786,654
<b>At 31 December 2019</b>	-	207,125,832	177,434,176	384,560,008

The notes on pages 3 to 9 form part of these financial statements.

## **BLUE ORCHID HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **1. General information**

Blue Orchid Holdings Limited is a private company limited by shares and is registered and incorporated in England. The registered office is 10 Norwich Street, London, EC4A 1BD, United Kingdom.

The principal activity of the company during the year was that of an investment holding company.

#### **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 following principal accounting policies have been applied:

##### **2.2 Exemption from preparing consolidated financial statements**

The Company is a wholly owned subsidiary of Integrity International Group Limited, its ultimate parent company. It is included in the consolidated financial statements of Integrity International Group Limited which are publicly available. Therefore the Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Integrity International Group Limited. The address of the parent's registered office is 10 Norwich Street, London, EC4A 1BD.

##### **2.3 Going concern**

The Director has a reasonable expectation that the Company will continue to have adequate resources to remain in operational existence for the foreseeable future. The Company has also received a letter of support from Integrity International Group Limited confirming it will continue to provide the Company with finance as required to meet its obligations for the period of at least 12 months from the date of approval of these financial statements.

On the basis of the Director's assessment of the Company's financial position and after confirmations received from the Director of Integrity International Group Limited, the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis of accounting in preparing the annual financial statements.

##### **2.4 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

## **BLUE ORCHID HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **2. Accounting policies (continued)**

##### **2.5 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 balance sheet date.

##### **2.6 Valuation of investments**

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

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

##### **2.7 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.

##### **2.8 Cash**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

##### **2.9 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.

## **BLUE ORCHID HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **2. Accounting policies (continued)**

##### **2.10 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

##### **2.11 Financial instruments**

The Company 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 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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.

## BLUE ORCHID HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 3. Employees

The director of the company is remunerated by the ultimate parent undertaking on behalf of the group. It is not practical to apportion amounts to the subsidiary undertakings.

The average monthly number of employees, including directors, during the year was 1 (9 months to 31 December 2019 - 1)

#### 4. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2020	19
At 31 December 2020	<u>19</u>

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Blue Orchid (Rochester) Limited	10 Norwich Street, London, EC4A 1BD	Ordinary	100%
Blue Orchid (Wellington) Limited	10 Norwich Street, London, EC4A 1BD	Ordinary	100%
Blue Orchid (Tower Suites) Limited	10 Norwich Street, London, EC4A 1BD	Ordinary	100%
Blue Orchid (St James) Limited	10 Norwich Street, London, EC4A 1BD	Ordinary	100%

The aggregate of the share capital and reserves as at 31 December 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) £
Blue Orchid (Rochester) Limited	(1,601,698)	(1,032,123)
Blue Orchid (Wellington) Limited	(291,900)	(1,585,855)
Blue Orchid (Tower Suites) Limited	68,404,443	(2,192,291)
Blue Orchid (St James) Limited	(46,037)	(82,454)

# BLUE ORCHID HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 5. Debtors

	2020 £	2019 £
Amounts owed by group undertakings	355,332,797	355,475,924
Amounts owed by connected companies	26,169,810	25,506,897
Other debtors	666,667	666,690
Deferred taxation	-	19
	<u>382,169,274</u>	<u>381,649,530</u>

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

	2020 £	2019 £
Trade creditors	4,200	-
Corporation tax	-	176,820
Other creditors	262	247
Accruals and deferred income	16,000	10,000
	<u>20,462</u>	<u>187,067</u>

### 7. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
3 (2019 - 3) Ordinary shares of £0.01 each	-	-
	<u>-</u>	<u>-</u>

During the prior period, the Company allotted 2 ordinary shares of £0.01 with a premium of £381,786,654.

### 8. Reserves

#### Share premium account

Share premium comprises of amounts paid for ordinary shares in excess of its nominal value.

On 1 July 2019, the Company passed a special resolution to reduce its share premium by £174,660,822.

#### Profit and loss account

The profit and loss account comprises of profit and losses that have accumulated year on year since the Company began trading.



## **BLUE ORCHID HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **9. Related party transactions**

The Company has taken advantage of the exemptions provided by section 33 of FRS 102 'Related Party Disclosures' and has not disclosed transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by a member of that group. As at 31 December 2020, the Company was owed £105,237,314 (2019 - £105,237,314) by Blue Orchid (Tower Suites) Limited, £47,843,712 (2019 - £47,965,232) by Blue Orchid (Wellington) Limited and £29,137,859 (2019 - £29,137,859) by Blue Orchid (Rochester) Limited, which are subsidiaries of Blue Orchid Holdings Limited. Interest is charged on these balance at 2.5% above base rate, but this was waived during 2020 as a result of the COVID-19 pandemic.

As at the period end, the Company was owed £173,113,914 (31 December 2019 - £173,135,520) by Integrity International Group Limited, the ultimate parent company. No Interest is charged and it is repayable on demand.

During the prior period, the Company acquired debt amounting to £4,725,000 in relation to a connected company, Grange Beauchamp Limited, which is 33.3% owned by the Director. Interest is charged at at 2.5% above base rate amounting to £129,232 (2019 - £247,464). As at 31 December 2020, the company was owed £5,101,696 (2019 - £4,972,464).

During the prior period, the Company acquired debt amounting to £1,662,500 in relation to a connected company, Grange Buckingham Limited, which is 33.3% owned by the Director. Interest is charged at 2.5% above base rate amounting to £45,471 (£87,070). As at 31 December 2020, the company was owed £1,795,041 (2019 - £1,749,570).

During the prior period, the Company acquired debt amounting to £4,375,000 in relation to a connected company, Grange Clarendon Limited, which is 33.3% owned by the Director. Interest is charged at 2.5% above base rate amounting to £119,659 (2019 - £229,133). As at 31 December 2020, the company was owed £4,723,792 (2019 - £4,604,133).

During the prior period, the Company acquired debt amounting to 2,100,000 in relation to a connected company, Grange Portland Limited, which is 33.3% owned by the Director. Interest is charged at 2.5% above base rate amounting to £57,436 (2019 - £109,984). As at 31 December 2020, the company was owed £2,267,420 (2019 - £2,209,984).

During the prior period, the Company acquired debt amounting to £11,375,000 in relation to a connected company, Grange Blooms & White Hall Limited, which is 33.3% owned by the Director. Interest is charged at 2.5% above base rate amounting to £311,114 (2019 - £595,746). As at 31 December 2020, the company was owed £12,281,860 (2019 - £11,970,746).

As at the year end, the Company owed £247 (2019 - £112) to Globalgrange Limited, a connected company which is 33.3% owned by the Director. No interest is charged on this balance.

#### **10. Controlling party**

Integrity International Group Limited, a company incorporated in the United Kingdom, is the parent undertaking and also the parent of the largest and smallest group for which consolidated financial statements including Blue Orchid Holdings Limited are prepared. The consolidated financial statements of Integrity International Group Limited are available from its registered office, 10 Norwich Street, London, EC4A 1BD.

The ultimate controlling individual is Tejinderpal Singh Matharu.

**BLUE ORCHID HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. Auditor's information**

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

The auditor's report on the financial statements for the year ended 31 December 2020 was unqualified.

The audit report was signed on ~~27 September 2021~~ by Timothy Herbert (Senior statutory auditor) on behalf of PKF Littlejohn LLP.