COMPANY REGISTRATION NUMBER: 11055318

Grainger Tribe Limited

Financial statements

30 September 2021

Grainger Tribe Limited

Financial statements

Year ended 30 September 2021

Contents	Pages

Grainger Tribe Limited

Officers and professional advisers

The board of directors	Helen C Gordon Adam McGhin Rob J Hudson Eliza Pattinson
Registered office	Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Auditor	KPMG LLP Quayside House 110 Quayside Newcastle upon Tyne NE1 3DX
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 Tribe Limited

Directors' report

Year ended 30 September 2021

The directors present their report and the financial statements of the company for the year ended 30 September 2021.

Principal activities

The principal activity of the company during the year was that of property investment. The directors do not recommend the payment of a dividend (2020: £nil).

Directors

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

Helen C Gordon	
Andrew P Saunderson	(Resigned 26 November 2021)
Adam McGhin	
Eliza Pattinson	(Appointed 4 May 2021)
Vanessa K Simms	(Resigned 26 April 2021)
Rob J Hudson	(Appointed 25 March 2022)

Directors' responsibilities statement

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

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 11 August 2022 and signed on behalf of the board by:

Adam McGhin
Director

Independent auditor's report to the members of Grainger Tribe Limited

Opinion

We have audited the financial statements of Grainger Tribe Limited ("the company") for the year ended 30 September 2021 which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its loss for the year then ended;

- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and

- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;

- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to Grainger plc's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.

- reading Board minutes.

- considering remuneration incentive schemes and performance targets for management.

- using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates and judgements. On this audit we do not believe there is a fraud risk related to revenue recognition due to the simple and non-judgmental nature of revenue recognition.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of Group-wide fraud risk management controls.

We also performed procedures including:

- identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, landlord regulation and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using 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.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Dan Gibson

Dan Gibson (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle upon Tyne
NE1 3DX

24 August 2022

Grainger Tribe Limited

Statement of comprehensive income

Year ended 30 September 2021

	Note	2021 £	2020 £
Turnover	4	**1,802,368**	1,845,739
Cost of sales		**(450,452)**	(582,338)
Gross profit		**1,351,916**	1,263,401
Fair value loss on investment property	6	**(6,899,230)**	(310,239)
Operating (loss)/profit	5	**(5,547,314)**	953,162
Interest payable and similar expenses	7	**(1,145,613)**	(1,131,185)
Loss before taxation		**(6,692,927)**	(178,023)
Tax on loss	8	**1,652,784**	16,684
Loss for the financial year and total comprehensive loss		**(5,040,143)**	(161,339)

All the activities of the company are from continuing operations.

The notes on pages 11 to 18 form part of these financial statements.

Grainger Tribe Limited

Statement of financial position

30 September 2021

	Note	2021 £	2020 £
Fixed assets			
Investment property	**9**	**21,941,237**	26,954,406
Current assets			
Debtors	**10**	**2,135,739**	518,457
Creditors: amounts falling due within one year	**11**	**(28,246,217)**	(26,498,076)
Net current liabilities		**(26,110,478)**	(25,979,619)
Total assets less current liabilities		**(4,169,241)**	974,787
Provisions			
Deferred tax	**12**	**–**	(103,885)
Net (liabilities)/assets		**(4,169,241)**	870,902
Capital and reserves			
Called up share capital	**14**	**100**	100
Profit and loss account	**15**	**(4,169,341)**	870,802
Shareholders' (deficit)/funds		**(4,169,241)**	870,902

These financial statements were approved by the board of directors and authorised for issue on 11 August 2022, and are signed on behalf of the board by:

Adam McGhin
Director

Company registration number: 11055318

The notes on pages 11 to 18 form part of these financial statements.

Grainger Tribe Limited

Statement of changes in equity

Year ended 30 September 2021

	Called up share capital £	Profit and loss account £	**Total £**
At 1 October 2019	100	1,032,141	1,032,241
Loss for the year	–	(161,339)	(161,339)
Total comprehensive loss for the year	–	(161,339)	(161,339)
At 30 September 2020	100	870,802	**870,902**
Loss for the year	–	(5,040,143)	**(5,040,143)**
Total comprehensive loss for the year	–	(5,040,143)	**(5,040,143)**
At 30 September 2021	100	(4,169,341)	**(4,169,241)**

The notes on pages 11 to 18 form part of these financial statements.

Grainger Tribe Limited

Notes to the financial statements

Year ended 30 September 2021

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 Tribe Limited ("the company") for the year ended 30 September 2021 were authorised for issue by the board of directors on 11 August 2022 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, modified to include the revaluation of investment property, 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.

3. Accounting policies *(continued)*

Going concern

Notwithstanding net current liabilities of £26,110,478 as at 30 September 2021 and a loss for the year then ended of £5,040,143, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

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, reasonable severe sensitivities, including the potential impact of Covid-19, have been applied to the key factors affecting financial performance of the Group. This includes the potential impact on performance due to possible changes in the level of cash collection, rental growth, letting activity, sales performance and development activity. 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.

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 2020. There has been no material impact on the company following the adoption of these standards.

Revenue recognition
Turnover comprises gross rentals, exclusive of VAT. Gross rentals are recognised on a straight line basis over the lease term on an accruals basis.

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.

3. Accounting policies *(continued)*

Investment property

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted if necessary, for any difference in the nature, location or condition of the specified asset. If this information is not available, the company uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections.

Subsequent expenditure is included in the carrying amount of the property when it is probable that the future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Gains or losses arising from changes in the fair value of the company's investment properties are included in the statement of comprehensive income of the period in which they arise.

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, 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 judgements, estimates and assumptions that the directors consider to be most significant to the financial statements relate to the valuation of investment properties and are detailed at note 9.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Rental income	**1,802,368**	1,845,739

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating (loss)/profit

Audit fees of £4,400 (2020: £3,700) are statutory audit fees only and are borne by another group company.

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 period, in respect of their services to the company.

6. Fair value loss on investment property

	2021 £	2020 £
Fair value loss on investment property	**(6,899,230)**	(310,239)

7. Interest payable and similar expenses

	2021 £	2020 £
Interest due to group undertakings	**1,145,613**	1,131,185

8. Tax on loss

Major components of tax income

	2021 £	2020 £
Current tax:		
UK current tax expense	**39,218**	25,121
Deferred tax:		
Origination and reversal of temporary differences	**(1,692,002)**	(41,805)
Tax on loss	**(1,652,784)**	(16,684)

Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is lower than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Loss on ordinary activities before taxation	**(6,692,927)**	(178,023)
Loss on ordinary activities by rate of tax	**(1,271,656)**	(33,824)
Effect of expenses not deductible for tax purposes	**20**	–
Impact of tax rate changes	**(381,148)**	17,140
Tax on loss	**(1,652,784)**	(16,684)

Factors that may affect future tax income

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 2021 has been measured at 25% (2020: 19%).

9. Investment property

	Investment property £
Cost or valuation	
At 1 October 2020	**26,954,406**
Additions	**1,886,061**
Revaluations	**(6,899,230)**
At 30 September 2021	**21,941,237**
Carrying amount	
At 30 September 2021	**21,941,237**
At 30 September 2020	26,954,406

The company's investment properties have been valued at their open market value at 30 September 2021 by Grainger plc's in-house qualified Chartered Surveyors and the valuations were reviewed and approved by the group's directors. A structured sample of the in-house valuations was reviewed by Allsop LLP, Chartered Surveyors, independent of the company. Allsop LLP has provided the group's directors with the following opinion on the valuation of the investment property: "Property held in the residential portfolio was valued as at 30 September 2021 by Grainger's in-house surveyors. These valuations were reviewed and approved by the Directors. Allsop LLP has undertaken a comprehensive review of the Directors' Valuation and they are satisfied with the process by which the in-house valuations were conducted. Allsop LLP valued approximately 80% of the residential portfolio, independently of the Group. Based on the results of that review, Allsop LLP has concluded that they have a high degree of confidence in those Directors' Valuations."

The valuations represent estimates of the open market value of the properties subject to the tenancies then existing. The historical cost of these properties is £28,293,707 (2020: £26,407,646).

10. Debtors

	2021 £	2020 £
Trade debtors	**45,357**	41,072
Amounts owed by group undertakings	**498,520**	465,993
Deferred tax asset	**1,588,117**	–
Prepayments and accrued income	**891**	9,957
Other debtors	**2,854**	1,435
	2,135,739	518,457

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

11. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	**20,518**	17,478
Amounts owed to group undertakings	**27,334,382**	26,188,769
Accruals and deferred income	**726,864**	160,736
Other creditors	**164,453**	131,093
	28,246,217	26,498,076

Amounts owed to group undertakings relates to an unsecured loan with a year end balance of £27,334,382 (2020: £26,188,769). The loan bears interest at a weighted rate of 4.29% in the year (2020: 4.22%), and is repayable on demand but is not expected to be repaid within the next 12 months. Interest payable for the year amounted to £1,145,613 (2020: £1,131,185).

12. Provisions

	Deferred tax (note 13)
	£
At 1 October 2020	**103,885**
Charge against provision	**(1,692,002)**
Transfers	**1,588,117**
At 30 September 2021	**–**

13. Deferred tax

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

	2021	2020
	£	£
Included in debtors (note 10)	**1,588,117**	–
Included in provisions (note 12)	**–**	(103,885)
	1,588,117	(103,885)

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

	2021	2020
	£	£
Fair value adjustment of investment property	**(1,588,117)**	103,885

14. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	**£**	No.	£
Ordinary shares of £1 each	**100**	**100**	100	100

15. Reserves

Profit and loss account - This reserve records retained earnings, gains and losses on asset revaluations and accumulated losses.

16. Operating leases

As lessor

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

	2021	2020
	£	£
Not later than 1 year	**51,048**	12,094
Later than 1 year and not later than 5 years	**37,054**	44
	88,102	12,138

17. 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.

18. 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.