

Queensgate Gem FH Bidco Limited

(Company Registration No. 11742974)

Annual Report and Audited Financial Statements

For the year ended 31 March 2022

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QUEENSGATE GEM FH BIDCO LIMITED
(Company registration number: 11742974)

TABLE OF CONTENTS	PAGES
General Information	3
Strategic Report	4
Directors' Report	5
Statement of Directors' Responsibilities in respect of the Financial Statements	6
Independent Auditor's Report	7 - 9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 19

QUEENSGATE GEM FH BIDCO LIMITED
(Company registration number: 11742974)

GENERAL INFORMATION

Directors	Jucane Thiessen Jason Hann Jeic Kow
Registered Office	8 Hill Street London W1J 5NG
Solicitors	Brown Rudnick LLP 8 Clifford Street London W1S 2LQ
Registered Auditor	BDO LLP 55 Baker Street Marylebone London W1U 7EU

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their Strategic Report for the Company for the year ended 31 March 2022.

Results for the year

The results for the year are set out in the Directors' Report.

The Company recorded a total comprehensive loss for the year ended 31 March 2022 of £2,898k (2021 loss of £1,825k).

The Company has net assets of £84,003k as at 31 March 2022 (2021 net assets of £86,901k). These financial statements cover the year ended 31 March 2022.

Principal Activities of the Company

The principal activity of the Company is to act as a holding Company for its subsidiaries, four Companies that were acquired in March 2019 as the owners of four London hotels.

The ultimate Parent of the UK Group is Queensgate Gem LLH Bidco Limited. Any reference to the Group hereafter relates to Queensgate Gem LLH Bidco Limited and its subsidiaries.

Section 172 Statement

In accordance with section 172 of the UK Companies Act 2006, in its decision making the Board considers the interests of the Company's various stakeholders. The Board understands the importance of taking into account the views of all stakeholders and considers the impact of the Company's activities on the communities in which the Company operates, the environment and the Company's reputation. In its decision making, the Board also considers what is most likely to promote the success of the Company for its stakeholders in the long term.

When making decisions, the Board also takes into consideration the long-term consequences for both the Company and its stakeholders, ensuring the Company conducts its business fairly, protecting its reputation and external relationships.

Supplier Engagement

The Company actively works to ensure that suppliers are paid on time every time. Due diligence is taken on new suppliers and wherever possible green accreditation status will be taken into consideration. Waste reduction is actively discussed with key suppliers to ensure the overall waste is minimised.

Investor Engagement

The Board is committed to ensuring there is continued, sufficient and effective communication and engagement between the Company and its investors through various different means throughout the year, including:

- Regular updates on key performance.
- Distribution of annual audited financial statements.
- Regular updates on future developments.

This Strategic Report was approved by the Board of Directors of Queensgate Gem FH Bidco Limited on 9 September 2022.



Jucane Thiessen
Director
9 September 2022

DIRECTORS' REPORT FOR THE YEAR 31 MARCH 2022

The Directors present their report and audited financial statements of Queensgate GEM FH Bidco Limited (the "Company") for the year ended 31 March 2022. The Company was incorporated on 28 December 2018.

Directors

The Directors that served the Company during the year ended 31 March 2022 and up to the date of signing the financial statements were as follows:

Jucane Thiessen

Jason Hann Jeic Kow

Results and Dividends

The Company recorded a loss before taxation of £2,898k (2021 £1,825k)

The Directors do not propose a dividend for the year.

Going Concern

The Company is in a strong net asset position, has no material commitments and is operated on minimal operational costs. The administrative expenses recognised in the Statement of Comprehensive Income in the year were predominantly one-off costs relating to a restructuring carried out and there are not expected to be any large administrative expenses incurred by the Company going forward. As such, the Directors consider that there is no material uncertainty around the Company continuing as a going concern for the foreseeable future and it remains appropriate for the financial statements to be prepared on a going concern basis.

Subsequent Events

There have been no material subsequent events up to the date of signing these financial statements.

Political Contributions

The Company has not made any political donations or incurred any political expenditure during the year.

Disclosure of information to Auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the 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 auditors are aware of that information.

Indemnity Provision for Directors

Qualifying third party indemnity provision for the benefit of the Directors was in force at all times during the financial year.

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP have indicated their willingness to continue in office.

This directors' report was approved by the Board of Directors of Queensgate Gem FH Bidco Limited on 9 September 2022.



Jucane Thiessen

Director

9 September 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the strategic report, 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEENSGATE GEM FH BIDCO LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Queensgate Gem FH Bidco Limited ("the Company") for the year ended 31 March 2022 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained

in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us 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.

Responsibilities of Directors

As explained more fully in the Statement of Directors Responsibilities in respect of the Financial Statements, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for 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 the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the procedures and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements were free of fraud or error.
- Based on the understanding obtained we designed audit procedures to identify non-compliance with the laws and regulations, as noted above. This included enquiries of management, review of Board minutes, and reviews of relevant correspondence.
- We substantively tested journal entries throughout the year and at year end, focusing on journal entries containing higher risk characteristics such as manual journals and journals relating to revenue.
- We challenged the key estimates and judgements made by management in preparing the financial statements for indications of bias or management override when presenting the results and financial position of the Company.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:
<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 auditor's 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.

DocuSigned by:
Justin Chait
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Justin Chait (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK
9 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

QUEENSGATE GEM FH BIDCO LIMITED
(Company registration number: 11742974)

STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
	Note		
Turnover		-	300
Cost of sales		-	-
Gross Profit		-	300
Administrative expenses		(2,868)	(2,013)
Operating loss	5	(2,868)	(1,773)
Valuation movement in subsidiary	9	(30)	(52)
Loss before tax		(2,898)	(1,825)
Tax on loss	7	-	-
Loss for the year		(2,898)	(1,825)
Other comprehensive income		-	-
Total comprehensive loss for the year		(2,898)	(1,825)

The accompanying notes to the financial statements on pages 13 to 19 form an integral part of these financial statements.
Turnover and operating loss derive wholly from continuing operations within the United Kingdom.

QUEENSGATE GEM FH BIDCO LIMITED
(Company registration number: 11742974)

STATEMENT OF FINANCIAL POSITION

	Note	As at 31 March 2022 £'000	As at 31 March 2021 £'000
Non-current assets			
Intangible assets	8	1,815	3,708
Investment in subsidiaries	9	17,012	17,042
		<u>18,827</u>	<u>20,750</u>
Current assets			
Debtors falling due within one year	10	69,032	69,032
Cash		37	115
Total current assets		<u>69,069</u>	<u>69,147</u>
Current liabilities			
Creditors falling due within one year	11	(3,893)	(2,996)
Total current liabilities		<u>(3,893)</u>	<u>(2,996)</u>
Net current assets		<u>65,176</u>	<u>66,151</u>
Total assets less current liabilities		<u>84,003</u>	<u>86,901</u>
Net assets		<u>84,003</u>	<u>86,901</u>
Equity			
Share capital	12	-	-
Retained earnings		84,003	86,901
Total equity		<u>84,003</u>	<u>86,901</u>

The accompanying notes to the financial statements on pages 13 to 19 form an integral part of these financial statements.

The financial statements on pages 10 to 19 were approved and authorised for issue by the Board of Directors on 9 September 2022 and were signed on its behalf by:



Jucane Thiessen
Director
9 September 2022

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £000	Retained earnings £000	Total £000
As at 01 April 2020	-	88,726	88,726
Total comprehensive loss for the year	-	(1,825)	(1,825)
As at 31 March 2021	-	86,901	86,901
Total comprehensive loss for the year	-	(2,898)	(2,898)
As at 31 March 2022	-	84,003	84,003

Issued share capital was £1 as disclosed within Note 12. This is shown as nil above due to rounding.

The accompanying notes to the financial statements on pages 13 to 19 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 CORPORATE INFORMATION

The Company is a private company limited by shares and is incorporated in England & Wales under the Companies Act. The registered number is 11742974 and the registered office is located at 8 Hill Street, London, W1J 5NG. The Company was incorporated and commenced trading on 28 December 2018. The Company's operations are described in the Strategic Report on page 4.

2 BASIS OF PREPARATION

Preparation of the Financial Statements

These financial statements are for the year ended 31 March 2022. They have been prepared on a going concern basis, applying the historical cost convention in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102")

The presentation currency of these financial statements is pound sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

In these financial statements, the Company is considered to be a qualifying entity (under FRS 102) and has applied the exemptions available under FRS 102 paragraph 1.12b and paragraph 1.12c in respect of the following disclosures:

- Cash Flow Statement and related notes.
- Key management personnel compensation.

Under FRS 102 Section 33 - Related Parties, the Company is exempt from disclosure of transactions entered into between members of the group headed by Gem Jersey Midco 1.5 Limited (the Gem Group), provided that any subsidiary which is a party to the transaction is wholly owned by a member of the Gem Group.

Judgements made by the Directors that may have a significant effect on the financial statements are discussed in note 4.

Going Concern

The Company is in a strong net asset position, has no material commitments and is operated on minimal operational costs. The administrative expenses recognised in the Statement of Comprehensive Income in the year were predominantly one-off costs relating to a restructuring carried out and there are not expected to be any large administrative expenses incurred by the Company going forward. As such, the Directors consider that there is no material uncertainty around the Company continuing as a going concern for the foreseeable future and it remains appropriate for the financial statements to be prepared on a going concern basis.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Basic financial instruments

Cash and cash equivalents

Cash and cash equivalents comprise cash balances at bank and in hand.

Interest-bearing loans classified as basic financial instruments

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

a) Basic financial instruments (continued)

Trade and other debtors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses. Trade and other debtors are classified as current assets if receipt is due within one year or less. If not, they are presented as non-current assets.

Trade and other creditors

Trade and other creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are recognised initially at transaction price less attributable transaction costs. Trade and other payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

b) Investments in subsidiary

Investments are initially recognised at cost including the expenses incidental thereto. Subsequent to initial recognition, the Company's investments are stated at fair value based on underlying net asset value of the subsidiary and the changes in the fair value is recognised in the Statement of Comprehensive Income.

Investment valuations are assessed for impairment or appreciation on an annual basis, with any changes in fair value being recorded in the Statement of Comprehensive Income. All estimates of the fair market value of the Company's investments will be based on the fair value of the underlying net assets of the investment entities.

c) Dividend income

Dividend income relates to dividends received from subsidiary undertakings. Dividend income is recognised when the right to receive payment is established.

d) Turnover

Turnover is management fee income exclusive of VAT and is recognised in the Statement of Comprehensive Income as it accrues. During the year ended 31 March 2022 a restructuring of the Group took place under which the fee agreement under which the Company received turnover in the prior year was cancelled and therefore the Company no longer receives management fee income.

e) Accruals

The Company recognises a liability for services that have been provided by suppliers to the Company but have not yet been invoiced.

f) Prepayments and accrued income

The Company recognises a prepayment where payment has been made in advance of services yet to be received, if it is probable that the costs will be recovered. Likewise, the Company recognises an asset if services have been provided in advance of payment.

g) Taxation

Tax on the profit or loss for the year is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date. Tax is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income, in which case it is recognised directly in Equity or Other Comprehensive Income.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2022 (continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Taxation (continued)

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Statement of Financial Position date. For non-depreciable assets that are measured using the revaluation model deferred tax is charged through the Statement of Changes in Equity for tangible assets on the inherent gain and through the Statement of Comprehensive Income for capital allowances in excess of depreciation.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

h) Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. The Company assesses at each reporting date whether intangible assets are impaired.

Amortisation is charged to the Statement of Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of intangible assets. The estimated useful lives are as follows:

Asset Class	Amortisation Rate
Capitalised fees	4 years

Amortisation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

4 SUMMARY OF SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The Company has identified the following areas where significant judgements, estimates and assumptions are required.

(i) Fair value of investment in subsidiaries

The Company is the immediate Parent Company of Grange St. Paul's Limited, Grange City Hotel Limited, Grange Holborn Limited and Grange Tower Bridge Limited. In measuring the fair value of the investment in subsidiaries, the Net Asset Value (NAV) of the financial position of each of these subsidiaries as at the reporting date is used as an approximation of fair value. Investments are assessed for fair value on an annual basis, with any changes in fair value being recorded in the Statement of Comprehensive Income in the year.

5 OPERATING LOSS

Operating loss for the year is stated after charging the following expenses:

	Year ended 31 March 2022	Period ended 31 March 2021
	£000	£000
Amortisation of intangible assets (see note 8)	1,893	1,893
Audit fees	-	118

Auditor's remuneration of £10k will be covered by Queensgate Gem Jersey Midco 1.5 Limited, a group entity.

6 STAFF COSTS AND DIRECTORS' REMUNERATION

The average number of persons employed by the Company (including Directors) during the year was two.

Directors' remuneration during the year amounted to £nil. The Directors are remunerated through other Queensgate group companies.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2022 (continued)

7 TAXATION

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Tax on loss on ordinary activities		
Current tax		
UK corporation tax	-	-
Total tax charge on loss on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax on loss on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 19%.

	Year ended 31 March 2022 £000	Year ended 31 March 2021 £000
Loss on ordinary activities before tax	(2,898)	(1,825)
Corporation tax standard rate 19%	(551)	(347)
Effects of:		
Disallowable expenditure	528	10
Income not taxable	6	-
Effects of group relief/other reliefs	17	-
Deferred tax not provided	-	337
Total tax charge for the year	<u>-</u>	<u>-</u>

8 INTANGIBLE ASSETS

	Capitalised fees £000	Total £000
Cost		
Balance at 01 April 2021	7,573	7,573
Additions	-	-
Balance at 31 March 2022	<u>7,573</u>	<u>7,573</u>
Accumulated amortisation		
Balance at 01 April 2021	3,865	3,865
Amortisation charge for the year	1,893	1,893
Balance at 31 March 2022	<u>5,758</u>	<u>5,758</u>
Net book value		
Balance at 31 March 2022	<u>1,815</u>	<u>1,815</u>
Balance at 31 March 2021	<u>3,708</u>	<u>3,708</u>

Intangible assets are made up of capitalised fees relating to the acquisition of the four hotels and the establishment of the group structure.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2022 (continued)

9 INVESTMENTS IN SUBSIDIARY	Total
	£000
Balance at 1 April 2021	17,042
Additions	-
Change in fair value of subsidiaries	(30)
Balance at 31 March 2022	17,012

The above investment relates to equity in the Company's subsidiary undertakings. The loss in the year reflects the decrease in combined net asset value of the subsidiaries as at the year end.

Subsidiary undertakings

The following entities are immediate subsidiary undertakings of the Company:

Name	Country of incorporation	Registered office address	Class of shares	Holding
Grange St. Pauls Limited ¹	England	10 Godliman street, London, EC4V 5AJ	Ordinary	100%
Grange City Hotel Limited ²	England	8-14 Cooper's Row, London, EC3N 2BQ	Ordinary	100%
Grange Holborn Limited ³	England	50-60 Southampton Row, London, WC1B 4AR	Ordinary	100%
Grange Tower Bridge Limited ⁴	England	45 Prescott Street, London, E1 8GP	Ordinary	100%

¹⁻⁴ The principal activity during the year was that of a holding company

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2022 (continued)

10 DEBTORS

	As at 31 March 2022 £000	As at 31 March 2021 £000
Amounts owed by group undertakings	69,032	69,032
	<u>69,032</u>	<u>69,032</u>

Amounts owed by group undertaking are interest free and repayable on demand.

11 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 31 March 2022 £000	As at 31 March 2021 £000
Accruals and deferred income	-	118
Amounts owed to group undertaking	3,885	2,863
VAT Control account	8	15
	<u>3,893</u>	<u>2,996</u>

Amounts falling due within one year owed to group undertaking are interest free and repayable on demand.

There is no security given over these liabilities.

12 SHARE CAPITAL

	As at 31 March 2022 £	As at 31 March 2021 £
Allotted, called up and fully paid		
1 ordinary share of £1	1	1
	<u>1</u>	<u>1</u>
Total share capital	<u>1</u>	<u>1</u>

The holder of the ordinary share is entitled to receive dividends as declared from time to time and is entitled to 1 vote per share at meetings of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2022 (continued)

13 SUBSEQUENT EVENTS

There have been no subsequent events up to the date of signing these financial statements.

14 ULTIMATE PARENT UNDERTAKING AND CONTROLLING ENTITY

The Company is a direct subsidiary undertaking of Queensgate Gem UK Holdco Limited. The ultimate parent company and controlling party is Gem Jersey Midco 1.5 Limited, a company incorporated in Jersey. The largest group in which the results of the Company are consolidated is that headed by Gem Jersey Midco 1.5 Limited. The smallest group in which they are consolidated is that headed by Queensgate Gem UK Midco Limited. The consolidated financial statements of Queensgate Gem UK Midco Limited are available to the public and may be obtained from 8 Hill Street, London, W1J 5NG.

15 CONTINGENCIES AND COMMITMENTS

The Company has no commitments or contingencies.

16 RELATED PARTIES

The Parent of the Company is Queensgate Gem UK Holdco Limited. The Company has taken advantage of the exemption in FRS 102 from disclosing transactions with other members of the Group on the basis that the Company is a wholly owned subsidiary.