Registered number: 09928421

GRACE LODGE LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2017

MONDAY

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A15 18/09/2017 #62

COMPANIES HOUSE

GRACE LODGE LTD
REGISTERED NUMBER: 09928421

BALANCE SHEET
AS AT 31 MARCH 2017

	Note		2017 £
Fixed assets			
Investment property	3		**2,180,000**
			2,180,000
Current assets			
Debtors: amounts falling due within one year	4	**1,113**	
Cash at bank and in hand	5	**89,428**	
		90,541	
Creditors: amounts falling due within one year	6	**(2,269,975)**	
Net current (liabilities)/assets			**(2,179,434)**
Total assets less current liabilities			**566**
Net assets			**566**
Capital and reserves			
Called up share capital			**1**
Profit and loss account			**565**
			566

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the Period in question in accordance with section 476 of Companies Act 2006.

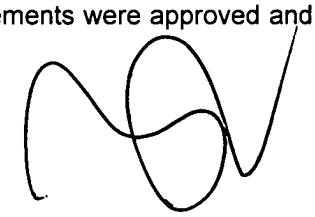
The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

The financial statements 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 21 August 2017.



M Docker
Director
The notes on pages 3 to 8 form part of these financial statements.

1. Accounting policies

1.1 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:

1.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company 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 Company 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.

1.3 Investment property

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

1.4 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.

1. Accounting policies (continued)

1.5 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.

1.6 Financial instruments

The Company only enters into basic financial instruments 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 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.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract

1. Accounting policies (continued)

1.6 Financial instruments (continued)

is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

1.7 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.

1.8 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.9 Taxation

Tax is recognised in the 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 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. Employees

The average monthly number of employees, including directors, during the Period was 0 (2016: 0).

3. Investment property

	Freehold investment property £
Valuation	
Additions at cost	**2,180,000**
At 31 March 2017	**2,180,000**

The valuations of the Investment properties on 17/09/2015 were made by Cluttons Capital Partners LLP, on an open market value for existing use basis.

For the period under review, the valuation of Investment Properties represents the residential right of 181 Clearance Road, which forms part of the security against the loan provided by Coutts & Co. to Sentidale Limited (the ultimate controlling party - refer to note 10).

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2017 £
Historic cost	**980,906**
	980,906

4. Debtors

	2017 £
Other debtors	**500**
Prepayments and accrued income	**613**
	1,113

5. Cash and cash equivalents

	2017 £
Cash at bank and in hand	**89,428**
	89,428

6. Creditors: Amounts falling due within one year

	2017 £
Amounts owed to group undertakings	**2,246,616**
Corporation tax	**17,391**
Other creditors	**3,340**
Accruals and deferred income	**2,628**
	2,269,975

7. Financial instruments

	2017 £
Financial assets	
Financial assets measured at fair value through profit or loss	**89,428**
	89,428

Financial assets measured at fair value through profit or loss comprise of cash and cash equivalents.

8. Intercompany transfers

During the period under review, Sentidale Limited (the ultimate controlling party) transferred to the company the residential rights of the units in Investment Properties as follows:

-181 Clearance Road at a fair value of £2,180,000 as valued by Cluttons Capital Partners LLP on 17 September 2015.

9. Dividends Paid

During the period under review, the company paid an interim dividend of £69,000 (2016: £Nil) to Sentidale Limited, a company in which M Docker and J Cole are both directors.

10. Controlling party

The ultimate controlling party is Sentidale Limited, a company incorporated in the UK (company registration number: 07409904).

11. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

12. Deferred tax provision & first time adoption of FRS 102

During the period under review, the value of the provision for deferred tax recognised in the accounts was £Nil (2016: £Nil) and no non-distributable reserves arose.