Registered No. 03010097

Grenadier Realty Limited

(Previously Paragon Customer Communications (Realty) Limited)

Report and Financial Statements

30 June 2019

Directors
P J Crean
L T Salmon
J E C Walters (retired 19 March 2019)

Secretary
R J Cahill

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Strategic report

The directors present their strategic report and the financial statements for the year ended 30 June 2019.

Principal activity and review of the business

The Company's principal activity was that of real estate operations.

The profit for the year after taxation amounted to £31,000 (2018 - loss of £11,000). Following a capital reduction a dividend of £12,751,000 was paid during the year (2018 – £nil).

During the year, the Company name was changed from from Paragon Customer Communications (Realty) Limited to Grenadier Realty Limited. The Company acquired property from a fellow Group subsidiary in the year. These transactions were completed to simplify the Group structure and to align the Group's holdings with the commercial structure.

Future developments

The directors do not foresee any changes in the Company's activities.

Principal risks and uncertainties

The main risks associated with the Company's financial assets and liabilities are set out below.

Interest rate risk

The Company has negotiated facilities with Group entities only, it has no external financing facilities.

All transactions are with Group companies. This risk is mitigated through regularly reviewing and monitoring of Group companies. The Company has no risk of exposure to external credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company has no liquidity risk as it is part of a Group that holds €141,000,000 of listed debt, with repayment due between 2023 and 2025.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company manages this risk by ensuring that it maintains sufficient levels of committed borrowing facilities and cash and cash equivalents. The level of headroom needed is reviewed annually as part of the companies planning process.

Foreign currency risk

The Company does not transact in foreign currencies outside of the Paragon Group.

On behalf of the Board

L T Salmon

Director

23 March 2020

Registered No. 03010097

Directors' report

The directors present their report and financial statements for the year ended 30 June 2019.

The financial statements are stated in Euros as this is the functional currency of the Company.

Results and dividends

The profit for the year after taxation amounted to £31,000 (2018 – loss of £11,000). Following a capital reduction a dividend of £12,751,000 was paid during the year (2018 – £nil).

Going concern

The directors have considered the Company's current and future prospects and its availability of financing, and are satisfied that the Company can continue to pay its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. For this reason the directors continue to adopt the going concern basis of preparation for these financial statements.

Directors

The directors who served the Company during the year and up to the date of signing these financial statements were as follows:

P J Crean
L T Salmon
J E C Walters (retired 19 March 2019)

Financial instrument risk

The Group has established a risk and financial management framework whose primary objective is to protect the Group from events that hinder the achievement of the Group's performance objectives.

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business level.

Directors' liabilities

The Company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Events since the Statement of Financial Position date

In the directors' opinion there were no post balance sheet events.

Political and charitable contributions

During the year, the Company did not make any political or charitable contributions (2018 – £nil).

Statement of directors' responsibilities

The directors are responsible for preparing the annual 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). 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 and the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

Directors' report

- select suitable accounting policies and then apply them consistently;
- make judgments and 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; 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 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 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 the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Grant Thornton UK LLP as auditor of the Company.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board

L T Salmon
Director

23 March 2020

Independent auditors' report

to the members of Grenadier Realty Limited

Opinion

We have audited the financial statements of Grenadier Realty Limited (the 'company') for the period from 1 July 2018 to 30 June 2019, which comprise the Income Statement, the Statement of Other Comprehensive Income, the Statement of Financial Position, the 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 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit 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.

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work

Independent auditors' report

to the members of Grenadier Realty Limited

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.

Opinions on other matters prescribed by the Companies Act 2006

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.

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 3, 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent auditors' report

to the members of Grenadier Realty Limited

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.

Gt TL UK LLP

Paul Naylor
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
24th March 2020

Income statement

for the year ended 30 June 2019

	Note	2019 £'000	2018 £'000
Rental income		34	-
Administrative expenses		-	11
Operating profit/(loss)	2	**34**	**(11)**
Finance cost	3	3	-
Profit/(loss) ***before taxation***		**31**	**(11)**
Income tax	4	-	-
Profit/(loss) for the year		31	(11)

All of the above operations are continuing.

Statement of other comprehensive income

for the year ended 30 June 2019

There is no other comprehensive income other than the profit attributable to the shareholders of the company for the year of £31,000 (2018 - loss of £11,000).

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

Statement of financial position

for the year ended 30 June 2019

	Notes	2019 £000	2018 £000
Assets			
Current assets			
Amounts owed by Group undertakings	5	-	12,737
Trade and other receivables	5	41	-
Cash and cash equivalents		-	-
Assets held for sale	6	1,233	-
		1,274	12,737
Creditors: amounts falling due within one year			
Amounts due to Group undertaking	7	1,272	-
Trade and other payables	7	6	21
Income tax payable		-	-
		1,278	21
Net current (liabilities)/assets		(4)	12,716
Net (liabilities)/assets		(4)	12,716
Equity			
Share capital	9	-	352
Share premium	10	-	3,496
Retained earnings	10	(4)	8,868
Total equity		(4)	12,716

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

The financial statements were approved and authorised for issue by the Board of Directors on 23 March 2020 and were signed on the Board's behalf by:

L T Salmon

Director

Statement of changes in equity

for the year ended 30 June 2019

	Share capital £'000	*Share premium £'000*	*Retained earnings £'000*	*Total equity £'000*
Balance as at 30 June 2017	352	3,496	8,879	12,727
Loss for the year	-	-	(11)	(11)
Balance at 30 June 2018	352	3,496	8,868	12,716

	Share capital £'000	*Share premium £'000*	*Retained earnings £'000*	*Total equity £'000*
Balance as at 30 June 2018	352	3,496	8,868	12,716
Capital reduction	(352)	(3,496)	3,848	-
Dividend	-	-	(12,751)	(12,751)
Profit for the year	-	-	31	31
Balance at 30 June 2019	-	-	(4)	(4)

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

Notes to the financial statements

at 30 June 2019

1. Accounting policies

Basis of preparation

The Company is a private company limited by shares and is incorporated and domiciled in the UK. During the year, the Company name was changed from Paragon Customer Communications (Realty) Limited to Grenadier Realty Limited.

The financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. The Company's financial statements in prior years had been presented in £. The financial statements for this financial year are presented in £ and all values are rounded to the nearest thousand (£000) except where otherwise indicated. The comparative financial information is also presented to the nearest thousand (£000) except where otherwise indicated. These financial statements present the performance and position of the individual entity. The results of the Company are included in the consolidated financial statements of Paragon Group Limited, which are available from its registered office, Lower Ground Floor, House, 16/18 Finsbury Circus, London, EC2M 7EB. The principal accounting policies adopted by the Company have been consistently applied and are set out below.

The company transitioned from previously extant UK GAAP to FRS 101 for all periods presented. Transition reconciliations showing all material adjustments are disclosed in note 15.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
    - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10)(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group;
- the requirements of paragraphs 118(e) of IAS 38 Intangible Assets
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the financial statements

At 30 June 2018

1. Accounting policies (continued)

The company has no employees other than the directors. No directors received any remuneration for their services to the company. The cost of the audit and the directors remunerations are borne by other group companies.

The Euro/Sterling exchange rate at 30 June 2019 was 1.12 (2018 – 1.13).

The Company does not prepare Group financial statements as it is exempt from the requirement to do so under section 400 of the Companies Act 2006.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

Impairment of financial assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a Group of financial assets is impaired. An impairment exists if one or more events that has occurred since the initial recognition of the asset (an incurred 'loss event'), has an impact on the estimated future cash flows of the financial asset or the Group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a Group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimate.

Intangible assets

Computer software

Computer software that is not integral to an item of property, plant or equipment is classified as an intangible asset and is held on the Statement of Financial Position at cost. These assets are amortised on a straight-line basis over their estimated useful lives, which is generally over three years.

Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value and subsequently stated at amortised cost.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Allowances are recognised in the Income Statement when there is objective evidence that the asset is impaired.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and demand deposits.

Non-current assets held for sale

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. The condition is regarded as met only when the sale is highly probable and the asset is available for sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification

Notes to the financial statements

At 30 June 2018

1. Accounting policies (continued)

Trade creditors

Trade creditors are not interest bearing and are stated at their nominal value. They are recognised at fair value and then held at amortised cost.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the income statement.

Tax

The tax expense in the Income Statement comprises current tax and deferred tax.

Current tax is the expected tax payable on the taxable profit for the period. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income and expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the accounts and the corresponding tax bases used in the computation of taxable profit. Deferred tax is accounted for using the Statement of Financial Position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise on goodwill or from the initial recognition (other than business combinations) of other assets or liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Income Statement, except where it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current assets against current liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is calculated on an undiscounted basis.

Notes to the financial statements

At 30 June 2018

1. Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies other than £ are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated into £ at the exchange rate ruling at that date.

Foreign currency differences arising on translation or settlement of monetary items are recognised in the Income Statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and not retranslated each period end.

The Company financial statements are prepared in £ as the majority of the Company's transactions are denominated in £.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Revenue is recognised when the Company's right to receive payment is established.

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 Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Intercompany balances

The directors have reviewed the recoverability of the remaining intercompany balances and no further impairment is required.

Value in use is determined with reference to projected future cash flows discounted at an appropriate rate. Both the cash flows and the discount rate involve a significant degree of estimation uncertainty.

2. Operating loss

This is stated after charging:

The company has no employees other than the directors. No directors received any remuneration for their services to the company. The cost of the audit and the directors remunerations are borne by other group companies.

Notes to the financial statements

At 30 June 2018

3. Finance cost

	30 June 2019 £000	*30 June 2018 £000*
Interest payable to Group undertakings	3	-

4. Income tax

Income tax on the profit/(loss) as shown in the Income Statement is as follows

	2019 £000	*2018 £000*
Current tax		
Current period	-	-
In respect of prior periods	-	-
Total current tax	-	-
Deferred tax current period	-	-
In respect of prior periods	-	-
Effect of change in rates	-	-
Total deferred tax	-	-
Total income tax	-	-

The credit can be reconciled to the profit/(loss) before tax as shown in the Income Statement as follows:

	2019 £000	*2018 £000*
Profit/(loss) before tax	31	(11)
Tax calculated at a rate of 19% (2018 – 19%)	6	(2)
Non-taxable dividend income	-	-
Adjustments in respect of prior periods	-	-
Current year losses	-	-
Group relief not at the standard rate	(6)	2
Total income tax credit	-	-

The standard rate of UK corporation tax for the period was 19% (2018:19%). A reduction in the rate to 17% from 1 April 2020 was substantively enacted prior to the balance sheet date and has been applied to the Company's deferred tax balance at the balance sheet date.

Notes to the financial statements

At 30 June 2018

5. Other financial assets

Trade and other receivables

	2019	2018
	£000	£000
Amounts owed by Group undertaking	-	12,737
Amounts due from related party (note 14)	34	-
Other receivables	7	-
	41	12,737

The directors consider that the carrying amount of trade and other receivables approximates their fair value.

Cash and cash equivalents	2019	2018
	£000	£000
Cash and cash equivalents	-	-

Cash and cash equivalents comprise cash held by the Company and short-term bank deposits with an original maturity of three months or less. The carrying amounts of these assets approximate their fair value.

6. Assets held for sale

	2019	2018
	£000	£000
At 1 July	-	-
Additions	1,233	-
At 30 June	1,233	-

The Company acquired the land and buildings of Trenton Box Company Limited during the year from another Group undertaking.

7. Trade and other payables

	2019	2018
	£000	£000
Amounts due to Group undertaking	1,272	-
Other taxes and social security	6	-
	1,278	-

The directors consider that the carrying amount of trade and other payables approximates their fair value.

8. Issued share capital

	2019	2018

Notes to the financial statements

At 30 June 2018

Allotted, called up and fully paid	*No.*	*£*	*No.*	*£'000*
Ordinary shares of £1 each	1	1	352,497	352

The allotted, called up and fully paid number of shares was reduced during the year from 352,397 shares to 1 share.

9. Share capital

	2019	*2018*
	£000	*£000*
	-	3,496

As part of the share reduction exercise the amount of share premium was also fully cancelled and extinguished.

10. Reserves

Retained earnings

This reserve records the cumulative amount of profits and losses less any dividend distributions made.

11. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Grenadier Holdings Investment Limited. The ultimate parent undertaking is Paragon Group Limited which has included the company in its Group financial statements, a copy of which are available from its registered office at Lower Ground Floor, Park House, 16/18 Finsbury Circus, London EC2M 7EB.

12. Events since the balance sheet date

In the directors' opinion there were no post balance sheet events.

13. Contingent liabilities

In the directors' opinion there are no contingent liabilities.

14. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 101 with reference to IAS 24 'Related party disclosures' not to disclose transactions with other wholly owned subsidiaries within the group.

	2019	*2018*
	£000	*£000*
Rental income received	34	-
Amounts due from other related parties	41	-

Rental income and amounts due are in respect of the Trenton Box Limited property.

Notes to the financial statements

At 30 June 2018

15. Transition to FRS 101

The company transitioned to FRS 101 from previously extant UK GAAP as at 1 July 2018.

The impact from the transition to FRS 101 is as follows:

Reconciliation of reserves at 1 July 2017

No impact on transition.

Reconciliation of reserves at 30 June 2018

No impact on transition.

Reconciliation of the income statement for the year ended 30 June 2018

No impact on transition.