

Company Registration No. 5739246 (England and Wales)

GROUP FIRST GLOBAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020

GROUP FIRST GLOBAL LIMITED

COMPANY INFORMATION

Directors Mr T S Whittaker
Mr J Slater

Company number 5739246

Registered office Group First House
12a Mead Way
Burnley
BB12 7NG

Auditor Lopian Gross Barnett & Co
1st Floor, Cloister House
Riverside
New Bailey Street
Manchester
M3 5FS

Business address Group First House
12a Mead Way
Burnley
BB12 7NG

GROUP FIRST GLOBAL LIMITED

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GROUP FIRST GLOBAL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present the strategic report for the year ended 30 June 2020.

Fair review of the business

Group First Global Limited and its directors believe the year ended 30 June 2020 has been a challenging yet successful year in whole.

A head office contribution from the business divisions within and outside of the group has funded the head office costs whilst maintaining profitable divisions for most of the twelve-month period.

Despite the impact of the coronavirus pandemic, except for off-airport carparking explained below, the shared service office centres, residential property portfolio and equestrian centre were largely unaffected. The shared service office centres have maintained high occupancy throughout the year. The portfolio of 60 residential properties have been let out with short periods of void primarily due to constant monitoring of market rate rent and reinvestment where capital appraisal suggests is needed. The equestrian centre was rented out throughout the year and no issues noted.

Store First

During the year, four subsidiaries of Group First Global Limited that were placed into liquidation on 30 April 2019, Store First Limited, Store First St Helens Limited, Store First Blackburn Limited, and SFM Services Limited sold their investment property, trade, and assets. The Official Receiver as the liquidator continues to act as the liquidator of those four companies and as at the 30 June 2020 is yet to disburse any funds available to the company's creditors.

Park First

Throughout the financial year, Smith and Williamson LLP continued to act as administrators for four subsidiary companies, Park First Freeholds Limited, Help Me Park Gatwick Limited, Park First Glasgow Rentals Limited, and Park First Gatwick Rentals Limited. The administrators have continued to pursue the first statutory objective of these administrations, namely, to rescue the four companies as going concerns by the development and launch of company voluntary arrangement ("CVAs") with its creditors.

Since the year end, the group of companies has secured a conditional resolution of proceedings with the Financial Conduct Authority that is referred to in further detail in the post balance sheet events disclosure note detailed in the financial statements.

COVID-19

The coronavirus pandemic had a significant impact on the travel and leisure industry. The companies in administration operate off-airport car parking facilities and because of the pandemic experienced further insolvency issues with minimal profitability in operating the car parks which ultimately will result in less funds being available to the company's creditors in the CVA's.

Future developments

The group has put in place further infrastructure to grow the business during future years.

The current focus within the group is to deal with the restructure through administrators and so growth in the short-term is not likely to be as strong as hoped.

On behalf of the board

Mr T S Whittaker
Director

4 November 2021

GROUP FIRST GLOBAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2020

The directors present their annual report and financial statements for the year ended 30 June 2020.

Principal activities

The principal activity of the company continued to be that of holding company alongside management and rental of investment property.

The principal activity of the group was that of holding investment property. The group also funds, develops and manages property.

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £772,441. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr T S Whittaker

Mr J Slater

Auditor

In accordance with the company's articles, a resolution proposing that Lopian Gross Barnett & Co be reappointed as auditor of the group will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr T S Whittaker

Director

4 November 2021

GROUP FIRST GLOBAL LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2020

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 of the group and company, and of the profit or loss of the group 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GROUP FIRST GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GROUP FIRST GLOBAL LIMITED

Opinion

We have audited the financial statements of Group First Global Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2020 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 June 2020 and of the group's 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.

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 group's or the parent 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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.

GROUP FIRST GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GROUP FIRST GLOBAL LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 directors' responsibilities statement, 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 parent 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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

GROUP FIRST GLOBAL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF GROUP FIRST GLOBAL LIMITED

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Brodie ACA (Senior Statutory Auditor)
For and on behalf of Lopian Gross Barnett & Co

4 November 2021

Chartered Accountants
Statutory Auditor

1st Floor, Cloister House
Riverside
New Bailey Street
Manchester
M3 5FS

GROUP FIRST GLOBAL LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	2019 £
Turnover	3	7,188,759	42,773,491
Cost of sales		(3,411,758)	(8,367,148)
Gross profit		<u>3,777,001</u>	<u>34,406,343</u>
Administrative expenses		(17,341,265)	(22,332,704)
Other operating income		7,387,244	1,201,010
Operating (loss)/profit	4	<u>(6,177,020)</u>	<u>13,274,649</u>
Interest receivable and similar income	7	87,388	-
Interest payable and similar expenses	8	(268,517)	(518,732)
Other gains and losses	9	2,132	386,033
Fair value gains and losses on investment properties	14	(16,490,746)	263,924
(Loss)/profit before taxation		<u>(22,846,763)</u>	<u>13,405,874</u>
Tax on (loss)/profit	10	2,717,008	(2,010,943)
(Loss)/profit for the financial year		<u><u>(20,129,755)</u></u>	<u><u>11,394,931</u></u>

(Loss)/profit for the financial year is all attributable to the owner of the parent company.

GROUP FIRST GLOBAL LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2020

	2020	2019
	£	£
(Loss)/profit for the year	(20,129,755)	11,394,931
Other comprehensive income	-	-
Total comprehensive income for the year	(20,129,755)	11,394,931

Total comprehensive income for the year is all attributable to the owners of the parent company.

GROUP FIRST GLOBAL LIMITED

GROUP BALANCE SHEET

AS AT 30 JUNE 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Goodwill	12		19,756,521		22,788,719
Other intangible assets	12		21,295		92,698
Total intangible assets			19,777,816		22,881,417
Tangible assets	13		804,375		8,436,385
Investment properties	14		32,281,066		42,602,292
			52,863,257		73,920,094
Current assets					
Debtors	18	23,965,128		21,853,566	
Cash at bank and in hand		27,655,482		39,524,169	
			51,620,610		61,377,735
Creditors: amounts falling due within one year	19	(25,023,527)		(44,468,387)	
Net current assets			26,597,083		16,909,348
Total assets less current liabilities			79,460,340		90,829,442
Creditors: amounts falling due after more than one year	20		(7,520,308)		(9,409,911)
Provisions for liabilities					
Provisions	22	109,941,248		97,497,762	
Deferred tax liability	23	2,818,624		3,839,413	
			(112,759,872)		(101,337,175)
Net liabilities			(40,819,840)		(19,917,644)
Capital and reserves					
Called up share capital	24		1		1
Profit and loss reserves			(40,819,841)		(19,917,645)
Total equity			(40,819,840)		(19,917,644)

The financial statements were approved by the board of directors and authorised for issue on 4 November 2021 and are signed on its behalf by:

Mr T S Whittaker
Director

GROUP FIRST GLOBAL LIMITED

COMPANY BALANCE SHEET

AS AT 30 JUNE 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		10,486		79,425
Tangible assets	13		617,986		1,901,536
Investment properties	14		3,982,159		3,730,821
Investments	15		617		1,631,974
			<u>4,611,248</u>		<u>7,343,756</u>
Current assets					
Debtors	18	32,985,076		33,293,579	
Cash at bank and in hand		3,338		2,393,012	
		<u>32,988,414</u>		<u>35,686,591</u>	
Creditors: amounts falling due within one year	19	(7,004,422)		(6,566,427)	
Net current assets			<u>25,983,992</u>		<u>29,120,164</u>
Total assets less current liabilities			<u>30,595,240</u>		<u>36,463,920</u>
Capital and reserves					
Called up share capital	24		1		1
Profit and loss reserves			<u>30,595,239</u>		<u>36,463,919</u>
Total equity			<u>30,595,240</u>		<u>36,463,920</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £5,096,239 (2019 - £2,839,710 loss).

The financial statements were approved by the board of directors and authorised for issue on 4 November 2021 and are signed on its behalf by:

Mr T S Whittaker
Director

Company Registration No. 05739246

GROUP FIRST GLOBAL LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 July 2018		1	(31,312,576)	(31,312,575)
Year ended 30 June 2019:				
Profit and total comprehensive income for the year		-	11,394,931	11,394,931
Balance at 30 June 2019		1	(19,917,645)	(19,917,644)
Year ended 30 June 2020:				
Loss and total comprehensive income for the year		-	(20,129,755)	(20,129,755)
Dividends	11	-	(772,441)	(772,441)
Balance at 30 June 2020		1	(40,819,841)	(40,819,840)

GROUP FIRST GLOBAL LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2020

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 July 2018		1	39,303,630	39,303,631
Year ended 30 June 2019:				
Loss and total comprehensive income for the year		-	(2,839,711)	(2,839,711)
Balance at 30 June 2019		1	36,463,919	36,463,920
Year ended 30 June 2020:				
Loss and total comprehensive income for the year		-	(5,096,239)	(5,096,239)
Dividends	11	-	(772,441)	(772,441)
Balance at 30 June 2020		1	30,595,239	30,595,240

GROUP FIRST GLOBAL LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	29				
		(11,394,019)		32,354,455	
Interest paid		(268,517)		(518,732)	
Income taxes paid		(1,012,620)		(600)	
Net cash (outflow)/inflow from operating activities		(12,675,156)		31,835,123	
Investing activities					
Purchase of intangible assets		(4,362)		(13,958)	
Proceeds on disposal of intangibles		34,885		(50,584)	
Purchase of tangible fixed assets		(218,260)		(2,068,462)	
Proceeds on disposal of tangible fixed assets		608,500		837,850	
Purchase of investment property		-		(593,831)	
Proceeds on disposal of investment property		98,260		-	
Transfer of investment property		-		5,000,000	
Gain on disposal of storage entities		-		786,100	
Receipts arising from loans made		1,069,127		3,282,482	
Interest received		87,388		-	
Net cash generated from investing activities		1,675,538		7,179,597	
Financing activities					
Repayment of borrowings		(51,686)		39,988	
Repayment of bank loans		(29,303)		-	
Dividends paid to equity shareholders		(772,441)		-	
Net cash (used in)/generated from financing activities		(853,430)		39,988	
Net (decrease)/increase in cash and cash equivalents		(11,853,048)		39,054,708	
Cash and cash equivalents at beginning of year		39,508,092		453,384	
Cash and cash equivalents at end of year		27,655,044		39,508,092	
Relating to:					
Cash at bank and in hand		27,655,482		39,524,169	
Bank overdrafts included in creditors payable within one year		(438)		(16,077)	

GROUP FIRST GLOBAL LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2020

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	30	(3,520,721)		(1,192,165)	
Interest paid		(50,000)		(17,620)	
Income taxes refunded/(paid)		200		(200)	
Net cash outflow from operating activities		(3,570,521)		(1,209,985)	
Investing activities					
Purchase of intangible assets		(4,361)		(10,205)	
Proceeds on disposal of intangibles		34,885		-	
Purchase of tangible fixed assets		(133,939)		(182,922)	
Proceeds on disposal of tangible fixed assets		608,500		8,458	
Purchase of investment property		-		(272,219)	
Proceeds on disposal of investment property		98,260		-	
Other investing movements		-		3,283,118	
Receipts arising from loans made		1,069,943		-	
Interest received		280,000		560,000	
Net cash generated from investing activities		1,953,288		3,386,230	
Financing activities					
Dividends paid to equity shareholders		(772,441)		-	
Net cash used in financing activities		(772,441)		-	
Net (decrease)/increase in cash and cash equivalents		(2,389,674)		2,176,245	
Cash and cash equivalents at beginning of year		2,393,012		216,767	
Cash and cash equivalents at end of year		3,338		2,393,012	

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

Company information

Group First Global Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Group First House, 12a Mead Way, Burnley, BB12 7NG

The group consists of Group First Global Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Group First Global Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Consolidation of entities in administration

There are four subsidiaries that are in administration:

Park First Freeholds Limited – In Administration (11033422);
Help Me Park Gatwick Limited – In Administration (09654985);
Park First Gatwick Rentals Limited – In Administration (10994206);
Park First Glasgow Rentals Limited – In Administration (10994132);

The directors considered whether these entities would need to be included within the consolidated accounts. The directors concluded that, although the entities were in administration, at the year end the administrators were preparing a CVA. The directors reasonably believe at the year end that the CVA was very likely to go through. The implication of this was that the entities would then come out of administration.

For this reason, the directors do not believe long term restrictions exist on the ability for the Group to control these subsidiaries and therefore these entities should be included in the consolidated accounts.

As the administrators are responsible for these entities books and records, the directors took the brought forward balance sheet, adjusted for the movements as per the administrators records to produce a set of records that appropriately reflected the correct closing position for these entities.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.3 Going concern

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

As explained in the FCA provisions note, the FCA provisions have, since the year end, restructured as part of CVA. As part of the CVA they are fully funded and do not lead to a material uncertainty relating to Going Concern for 12 months from the date of approval of the accounts.

1.4 Turnover

Turnover relates to rental income collected on investment property and recharge of expenditure to connected companies outside the group.

Turnover relating to rental income is recognised net of VAT for the period.

Turnover from the prior year contains revenue from the sale of car parking spaces. Recognition occurred when the significant risks and rewards of ownership of the goods passed to the buyer and was net of VAT.

Revenue is recognised where the amount can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Goodwill is amortised on a straight line basis over ten years.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	Over 8 years straight line basis
Web Domain	Over 10 years straight line basis

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

No amortisation was charged to the web domain as the net residual value exceeds its cost.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on buildings and improvements
Leasehold improvements	15% Straight line
Plant and equipment	At varying rates on cost
Fixtures and fittings	20% on cost and varying rates on cost
Computers	At varying rates on cost
Motor vehicles	25% on reducing balances

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

1.10 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and 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 in the profit and loss account, except when 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 if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.13 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

FCA Provision

As disclosed in previous years, in 2017 the FCA reviewed the activities of the group entities airport car parking investment schemes and took the view that these were collective investment schemes.

Only FCA authorised firms and individuals can operate or promote these schemes.

As a result of discussions with the FCA, the group agreed to stop operating and promoting the original schemes. As part of corrective action agreed with the FCA, the group offered all investors in the schemes the choice of:

1. getting their initial investment back (a 'Buy Back')
2. moving into a new Lifetime Leaseback scheme whereby the investor would be entitled to a 2% coupon on the original investment value for 175 years

As 30 June 2020, the Lifetime Lease provision stood at £68.6m and the Buyback, £38.7m.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.16 CVA Disclosure

The off-airport carparking division was restructured in the prior year, this restructure resulted in Smith and Williamson LLP being appointed as administrators to Park First Freeholds Limited, Help Me Park Gatwick Limited, Park First Glasgow Rentals Limited and Park First Gatwick Rentals Limited.

Throughout this current year the administrators carried out their statutory duties to rescue the companies as going concern by developing company voluntary arrangements (CVA) to put forward to the company's creditors. The CVA's were launched post year end on the 21 September 2021 to the creditors and the majority voted in favour of on the 14 October 2021.

The purpose of the CVA's is to restructure the liabilities of Park First Freeholds Limited, Help Me Park Gatwick Limited, Park First Glasgow Rentals Limited and Park First Gatwick Rentals Limited.

These liabilities primarily relate to the FCA provisions.

The restructured liabilities will be funded by money that the Group will introduce into the entities that are in administration. The amount has been agreed with the FCA and at the time of the approval of the accounts the Group were substantially progressed in their efforts to raise the agreed funds.

We note that at the year end, the liabilities had not yet been restructured and the CVA was in its infancy and therefore it is appropriate to provide for the full liability amounts at the year end.

The directors also believe that, as the liabilities have been restructured and funding for this at an advanced level, these liabilities do not impact the Groups ability to continue as a Going Concern for 12 months past the date of approval for the accounts.

The group and its controlling parties will be introducing funds by way of debt and realising assets, in addition to the funds raised from the sale of London Luton Airport Car Park' in order to fund the CVA.

The Group entities included within the CVA were categorised as follows:

Entities in Administration

Park First Freeholds Limited – In Administration (11033422);
Help Me Park Gatwick Limited – In Administration (09654985);
Park First Gatwick Rentals Limited – In Administration (10994206);
Park First Glasgow Rentals Limited – In Administration (10994132);

These are the Group Company entities that have the FCA provisions that are ultimately owed to the investors.

Entities not in Administration but party to the terms of the CVA

Group First Global Limited (05739246);
Park First Limited (07158270);
Harley Scott Residential Limited (05760390);
Park First Skyport Limited (09560196);
Cophall Parking Gatwick Limited (05648696);
Park First Management Limited (08051785);
Help-Me-Park.Com Limited (05563009); and
London Luton Airport Parking Limited (10186044).

The companies above have ultimately been part of the airport car parking schemes and therefore these have been included in the CVA. The only impact on these entities is to restructure their liabilities owed to group or connected companies.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

1 Accounting policies

(Continued)

1.17 Brexit

The directors have considered the impact of Brexit on the company and have concluded that there are no impacts as a result of Brexit which require disclosure at the balance sheet date.

1.18 Covid-19

The directors have closely monitored the Government guidance in response to the Covid-19 Pandemic and conclude that there are no items resulting from the Covid-19 Pandemic which require disclosure at the balance sheet date.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2020 £	2019 £
Turnover analysed by class of business		
Sale of car parking spaces	-	32,600,000
Rental income	2,908,800	8,115,031
Other	4,279,959	2,058,460
	<u>7,188,759</u>	<u>42,773,491</u>
	2020 £	2019 £
Turnover analysed by geographical market		
UK	<u>7,188,759</u>	<u>42,773,491</u>
	2020 £	2019 £
Other significant revenue		
Interest income	<u>87,388</u>	<u>-</u>

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

4 Operating (loss)/profit

	2020	2019
	£	£
Operating (loss)/profit for the year is stated after charging:		
Exchange losses	826	3,482
Depreciation of owned tangible fixed assets	541,440	898,320
Loss on disposal of tangible fixed assets	432,549	12,993
Amortisation of intangible assets	3,073,078	2,887,440
Impairment of intangible assets	-	1,631,974
(Profit)/loss on disposal of intangible assets	-	50,584
Operating lease charges	74,451	1,060,536

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £827 (2019 - £3,482).

5 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	87,500	201,288

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
32	43	-	43

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	1,135,705	1,899,832	901,341	1,339,336
Pension costs	-	-	-	8,187
	1,135,705	1,899,832	901,341	1,347,523

Group First Global Limited employees were in prior year that of recharges from a shared service company, within the current year the employment contracts are between the employee and Group First Global Limited.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

7 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Interest on bank deposits	5,434	-
Other interest income	81,954	-
	<u>87,388</u>	<u>-</u>
Total income	<u>87,388</u>	<u>-</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>5,434</u>	<u>-</u>

8 Interest payable and similar expenses

	2020	2019
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	50,000	17,620
Other interest on financial liabilities	192,195	501,112
	<u>242,195</u>	<u>518,732</u>
Other finance costs:		
Other interest	26,322	-
	<u>268,517</u>	<u>518,732</u>
Total finance costs	<u>268,517</u>	<u>518,732</u>

9 Other gains and losses

	2020	2019
	£	£
Fair value gains/(losses) on financial instruments		
Change in fair value of investments	-	(400,065)
Other gains/(losses)		
Gain on elimination of storage entities	-	786,098
	<u>-</u>	<u>386,033</u>
	<u>-</u>	<u>386,033</u>

The gain on elimination of storage entities relates to the profit on disposal of £786,098 in relation to the disposal of the storage entities in 2019 following the High Court order to wind up these entities.

10 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	-	907,349
Adjustments in respect of prior periods	463,178	-
	<u>463,178</u>	<u>907,349</u>
Total current tax	<u>463,178</u>	<u>907,349</u>

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

10	Taxation	(Continued)	
		2020 £	2019 £
	Deferred tax		
	Origination and reversal of timing differences	(3,180,186)	1,103,594
		<u></u>	<u></u>
	Total tax (credit)/charge	(2,717,008)	2,010,943
		<u></u>	<u></u>

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
(Loss)/profit before taxation	(22,846,763)	13,405,874
	<u></u>	<u></u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(4,340,885)	2,547,116
Tax effect of expenses that are not deductible in determining taxable profit	2,860,111	-
Tax effect of income not taxable in determining taxable profit	(1,328,174)	-
Adjustments in respect of prior years	463,178	-
Group relief	(324,924)	(1,857,349)
Other movements	(46,314)	217,582
Deferred tax	-	1,103,594
	<u></u>	<u></u>
Taxation (credit)/charge	(2,717,008)	2,010,943
	<u></u>	<u></u>

The tax charge relates to movements in deferred tax in the year.

There are no corporation tax charges across the group due to the utilisation of group relief.

11	Dividends	2020 £	2019 £
	Recognised as distributions to equity holders:		
	Final paid	772,441	-
		<u></u>	<u></u>

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

12 Intangible fixed assets

Group	Goodwill	Software	Patents & licences	Development costs	Web Domain	Total
	£	£	£	£	£	£
Cost						
At 1 July 2019	30,321,882	30,118	10,575	7,238	79,425	30,449,238
Additions	-	-	-	-	4,362	4,362
Disposals	-	-	-	-	(34,885)	(34,885)
At 30 June 2020	30,321,882	30,118	10,575	7,238	48,902	30,418,715
Amortisation and impairment						
At 1 July 2019	7,533,163	30,118	1,322	3,218	-	7,567,821
Amortisation charged for the year	3,032,198	-	-	2,464	38,416	3,073,078
At 30 June 2020	10,565,361	30,118	1,322	5,682	38,416	10,640,899
Carrying amount						
At 30 June 2020	19,756,521	-	9,253	1,556	10,486	19,777,816
At 30 June 2019	22,788,719	-	9,253	4,020	79,425	22,881,417
Company					Web Domain	
					£	
Cost						
At 1 July 2019						79,425
Additions						4,362
Disposals						(34,885)
At 30 June 2020						48,902
Amortisation and impairment						
At 1 July 2019						-
Amortisation charged for the year						38,416
At 30 June 2020						38,416
Carrying amount						
At 30 June 2020						10,486
At 30 June 2019						79,425

More information on impairment movements in the year is given in note .

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

12 Intangible fixed assets

(Continued)

Note that as the residual value of the Web Domain is expected to equal or exceed its historical cost, there has been no amortisation charge.

Goodwill has arisen on the introduction of Harley Scott Holdings into the group as a subsidiary.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

13 Tangible fixed assets

Group	Freehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 July 2019	1,019,571	6,321,667	98,251	576,260	44,959	3,460,395	11,521,103
Additions	-	70,800	1,490	11,207	9,675	125,088	218,260
Disposals	-	-	-	-	-	(1,492,358)	(1,492,358)
Transfers	(961,550)	(5,605,477)	(5,370)	(27,970)	-	-	(6,600,367)
At 30 June 2020	58,021	786,990	94,371	559,497	54,634	2,093,125	3,646,638
Depreciation and impairment							
At 1 July 2019	212,959	696,860	83,229	446,637	33,130	1,611,903	3,084,718
Depreciation charged in the year	-	154,355	2,933	52,665	7,297	324,190	541,440
Eliminated in respect of disposals	-	-	-	-	-	(451,309)	(451,309)
Transfers	-	(332,586)	-	-	-	-	(332,586)
At 30 June 2020	212,959	518,629	86,162	499,302	40,427	1,484,784	2,842,263
Carrying amount							
At 30 June 2020	(154,938)	268,361	8,209	60,195	14,207	608,341	804,375
At 30 June 2019	806,612	5,624,807	15,022	129,623	11,829	1,848,492	8,436,385

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

Company	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 July 2019	548,291	3,411,682	3,959,973
Additions	11,207	122,732	133,939
Disposals	-	(1,492,358)	(1,492,358)
At 30 June 2020	559,498	2,042,056	2,601,554
Depreciation and impairment			
At 1 July 2019	446,637	1,611,800	2,058,437
Depreciation charged in the year	52,665	323,775	376,440
Eliminated in respect of disposals	-	(451,309)	(451,309)
At 30 June 2020	499,302	1,484,266	1,983,568
Carrying amount			
At 30 June 2020	60,196	557,790	617,986
At 30 June 2019	101,654	1,799,882	1,901,536

During the course of the year the directors decided to rent out the property within Equestrian First Ltd on a long term basis. Before this the company operated this property as an equestrian centre and held the property within freehold land and buildings. As a result of the change in the nature of the property, it was transferred to investment property on the date of this change, at cost, and subsequently remeasured at fair value at the balance sheet date.

14 Investment property

	Group 2020 £	Company 2020 £
Fair value		
At 1 July 2019	42,602,291	3,730,820
Disposals	(98,260)	(98,260)
Transfers	6,267,781	-
Net gains or losses through fair value adjustments	(16,490,746)	349,599
At 30 June 2020	32,281,066	3,982,159

Investment property comprises airport car parking sites, business centres and other residential properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the Directors who based their valuation on an informal valuation provided by independent property advisors, who are not connected with the company.

Please see note 13 for detail on the transfers.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

15 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	16	-	-	617	1,631,974

16 Subsidiaries

Details of the company's subsidiaries at 30 June 2020 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
B1 Workspace Ltd	UK	Ordinary	100.00
Business First Ltd	UK	Ordinary	100.00
Cophall Parking Gatwick Ltd	UK	Ordinary	100.00
Equestrian First Ltd	UK	Ordinary	100.00
Group First International Sbn Bhd	Malaysia	Ordinary	100.00
Harley Scott Holdings Ltd	UK	Ordinary	100.00
Help Me Park Gatwick Ltd	UK	Ordinary	100.00
Help-Me-Park.com Ltd	UK	Ordinary	100.00
London Luton Airport Parking Ltd	UK	Ordinary	100.00
Park First Freeholds Ltd	UK	Ordinary	100.00
Park First Gatwick Rentals Ltd	UK	Ordinary	100.00
Harley Scott Residential Ltd	UK	Ordinary	100.00
Park First Glasgow Rentals Ltd	UK	Ordinary	100.00
Park First Ltd	UK	Ordinary	100.00
Park First Management Ltd	UK	Ordinary	100.00
Park First Singapore Branch	Singapore	Ordinary	100.00
Park First Skyport Ltd	UK	Ordinary	100.00
Residential First Ltd	UK	Ordinary	100.00
Select Escapes Ltd	UK	Ordinary	100.00
Harley Scott Commercial Ltd	UK	Ordinary	100.00

The registered office for all the UK subsidiaries that are not in administration is Group First House, Mead Way, Padiham, Lancs, BB12 7NG.

The registered office for all the UK subsidiaries in administration is 25 Moorgate, London, EC2R 6AY.

17 Financial instruments

There are no financial instruments held at fair value.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

18 Debtors

	Group 2020	2019	Company 2020	2019
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	675,230	1,754,793	2	190,296
Corporation tax recoverable	-	28,049	-	200
Amounts owed by group undertakings	1,057,518	1,057,518	23,248,324	26,118,078
Other debtors	18,316,798	18,609,720	9,257,330	6,929,760
Prepayments and accrued income	552,596	190,626	479,420	55,245
	<u>20,602,142</u>	<u>21,640,706</u>	<u>32,985,076</u>	<u>33,293,579</u>
Deferred tax asset (note 23)	464,928	-	-	-
	<u>21,067,070</u>	<u>21,640,706</u>	<u>32,985,076</u>	<u>33,293,579</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 23)	2,898,058	212,860	-	-
	<u>2,898,058</u>	<u>212,860</u>	<u>-</u>	<u>-</u>
Total debtors	<u>23,965,128</u>	<u>21,853,566</u>	<u>32,985,076</u>	<u>33,293,579</u>

The outstanding balance owed by group undertakings relate to amounts owed by Store First entities. These entities are not consolidated as they are in liquidation; therefore, they are not eliminated on consolidation.

These amounts owed by Store First entities are expected to be recovered.

19 Creditors: amounts falling due within one year

		Group 2020	2019	Company 2020	2019
	Notes	£	£	£	£
Bank loans and overdrafts	21	438	16,077	-	-
Other borrowings	21	-	51,688	-	-
Trade creditors		8,679,097	9,386,360	830,337	694,740
Amounts owed to group undertakings		1,655,696	1,655,696	2,991,576	3,773,392
Corporation tax payable		1,320,786	907,548	-	-
Other taxation and social security		487,748	6,923,765	-	-
Other creditors		11,737,834	23,747,406	3,045,474	1,914,793
Accruals and deferred income		1,141,928	1,779,847	137,035	183,502
		<u>25,023,527</u>	<u>44,468,387</u>	<u>7,004,422</u>	<u>6,566,427</u>

The outstanding balance owed to group undertakings relate to amounts owed to Store First entities. These entities are not consolidated as they are in liquidation; therefore, they are not eliminated on consolidation.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

20 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	21	7,520,308	7,549,611	-	-
Other creditors		-	1,860,300	-	-
		<u>7,520,308</u>	<u>9,409,911</u>	<u>-</u>	<u>-</u>

Amounts included above which fall due after five years are as follows:

Payable other than by instalments	2,386,215	2,267,710	-	-
	<u>2,386,215</u>	<u>2,267,710</u>	<u>-</u>	<u>-</u>

21 Loans and overdrafts

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	7,520,308	7,549,611	-	-
Bank overdrafts	438	16,077	-	-
Other loans	-	51,688	-	-
	<u>7,520,746</u>	<u>7,617,376</u>	<u>-</u>	<u>-</u>
Payable within one year	438	67,765	-	-
Payable after one year	7,520,308	7,549,611	-	-
	<u>7,520,308</u>	<u>7,549,611</u>	<u>-</u>	<u>-</u>

The bank loans relate to interest only loans. These are secured, through fixed and floating charges, over properties and assets within the group.

22 Provisions for liabilities

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Buybacks and lifetime leaseback		107,252,605	97,497,762	-	-
Other provision for buybacks and lifetime leaseback		2,688,643	-	-	-
		<u>109,941,248</u>	<u>97,497,762</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities	23	2,818,624	3,839,413	-	-
		<u>112,759,872</u>	<u>101,337,175</u>	<u>-</u>	<u>-</u>

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

22 Provisions for liabilities

(Continued)

Movements on provisions apart from deferred tax liabilities:

Group	£	£	Total £
At 1 July 2019	97,497,762	-	97,497,762
Provisions utilised in the year	9,754,843	2,688,643	12,443,486
At 30 June 2020	107,252,605	2,688,643	109,941,248

The provision of £107,252,605 relate to Lifetime Leaseback and Buybacks referred to in note 1.13.

These provisions have been provided for in full and discounted to the present value where necessary.

23 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company:

Group	Liabilities 2020 £	Liabilities 2019 £	Assets 2020 £	Assets 2019 £
Investment property	2,818,624	3,839,413	3,362,986	212,860

24 Share capital

Group and company	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	1	1	1	1

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

25 Events after the reporting date

The following events occurred after the reporting period end which require disclosure:

In Group First Global Ltd, investment property was sold after the reporting date totalling £2,000,000.

In Harley Scott Commercial Ltd, investment property was sold after the reporting date totalling £2,500,000.

In Harley Scott Holdings Ltd, investment property was sold after the reporting date totalling £3,525,000.

In Harley Scott Residential Ltd, investment property was sold after the reporting date totalling £882,500.

In Business First Ltd, investment property was sold after the reporting date totalling £2,250,000.

Business First Ltd re-mortgaged £2,000,000, after the reporting date, in relation to investment property held at the balance sheet date.

There were no further events after the reporting period end which require disclosure at the balance sheet date.

26 Related party transactions

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2020 £	2019 £
Group		
Amounts due to connected companies	12,850,311	2,949,817

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2020 Balance £	2019 Balance £
Group		
Amounts due from connected companies	20,854,007	8,481,520

27 Directors' transactions

Included within other debtors for the year ended 30 June 2020 is an amount of £17,307 (2019: £1,084,303) due from T Whittaker, a director of the company.

During the year there were advancements of £2,227,816 and repayments of £3,294,812.

The loan is repayable on demand with nil interest charged. The loan was repaid within 9 months following the reporting period end date.

28 Controlling party

The ultimate controlling party is T Whittaker.

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

29 Cash (absorbed by)/generated from group operations

	2020 £	2019 £
(Loss)/profit for the year after tax	(20,129,755)	11,394,931
Adjustments for:		
Taxation (credited)/charged	(2,717,008)	2,010,943
Finance costs	268,517	518,732
Investment income	(87,388)	-
Loss on disposal of tangible fixed assets	430,418	12,993
(Gain)/loss on disposal of intangible assets	-	50,584
Fair value loss/(gain) on investment properties	16,490,746	(263,924)
Amortisation and impairment of intangible assets	3,073,078	4,519,414
Depreciation and impairment of tangible fixed assets	541,440	898,320
Other gains and losses	-	(385,396)
Increase/(decrease) in provisions	12,443,486	(11,019,993)
Movements in working capital:		
Decrease in stocks	-	11,314,465
(Increase)/decrease in debtors	(56,482)	1,001,438
(Decrease)/increase in creditors	(21,651,071)	12,301,948
Cash (absorbed by)/generated from operations	(11,394,019)	32,354,455

30 Cash absorbed by operations - company

	2020 £	2019 £
Loss for the year after tax	(5,096,239)	(2,839,711)
Adjustments for:		
Finance costs	50,000	17,620
Investment income	(280,000)	(560,000)
Loss on disposal of tangible fixed assets	432,549	2,774
Fair value gain on investment properties	(349,599)	-
Amortisation and impairment of intangible assets	38,416	-
Depreciation and impairment of tangible fixed assets	376,440	503,664
Other gains and losses	1,628,411	400,065
Movements in working capital:		
(Increase)/decrease in debtors	(758,694)	1,094,785
Increase in creditors	437,995	188,638
Cash absorbed by operations	(3,520,721)	(1,192,165)

GROUP FIRST GLOBAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2020

31 Analysis of changes in net funds - group

	1 July 2019	Cash flows	30 June 2020
	£	£	£
Cash at bank and in hand	39,524,169	(11,868,687)	27,655,482
Bank overdrafts	(16,077)	15,639	(438)
	<u>39,508,092</u>	<u>(11,853,048)</u>	<u>27,655,044</u>
Borrowings excluding overdrafts	(7,601,299)	80,991	(7,520,308)
	<u>31,906,793</u>	<u>(11,772,057)</u>	<u>20,134,736</u>

32 Analysis of changes in net funds - company

	1 July 2019	Cash flows	30 June 2020
	£	£	£
Cash at bank and in hand	2,393,012	(2,389,674)	3,338

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.