

REGISTERED NUMBER: 01413241 (England and Wales)

BLUE DIAMOND UK PROPERTIES LIMITED
ANNUAL REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



BLUE DIAMOND UK PROPERTIES LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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BLUE DIAMOND UK PROPERTIES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS:

A Roper
R J Hemans

REGISTERED OFFICE:

Brambridge Park Garden Centre
Kiln Lane
Brambridge
Eastleigh
Hampshire
SO50 6HT

REGISTERED NUMBER:

01413241 (England and Wales)

AUDITORS:

BDO LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
SO14 3TL

BLUE DIAMOND UK PROPERTIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the financial statements for the year ended 31 December 2021.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- o select suitable accounting policies and then apply them consistently;
- o make judgments and accounting estimates that are reasonable and prudent;
- o state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- o 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.

PRINCIPAL ACTIVITY

The principal activity of the Company is property holding.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £5,025,552 (2020: £14,362,997).

The Company did not pay any interim dividends during the year and the Directors do not intend to recommend a final dividend for the year (2020: £nil).

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- o so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- o the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

INDEPENDENT AUDITOR

During the year, BDO LLP were appointed as the auditor in replacement of BDO Limited. In accordance with section 485 of the Companies Act 2006, BDO LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

SMALL COMPANIES NOTE

In preparing this report, the Directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006. The Directors have also taken advantage of the small companies' exemption to not prepare a Strategic Report.

BLUE DIAMOND UK PROPERTIES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

A Roper
R J Hemans

ON BEHALF OF THE BOARD:



R J Hemans - Director

28 April 2022

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BLUE DIAMOND UK PROPERTIES LIMITED**

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 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.

We have audited the financial statements of Blue Diamond UK Properties Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BLUE DIAMOND UK PROPERTIES LIMITED**

Other Companies Act 2006 reporting

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

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the 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 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.

Auditors' responsibilities for the audit of the financial statements

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

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

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

- discussions with management regarding consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- challenging assumptions made by management in their significant accounting estimates in particular in relation to property valuations and assessing whether the judgements made in accounting entries are indicative of potential bias;

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BLUE DIAMOND UK PROPERTIES LIMITED**

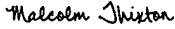
- identifying and testing journal entries, in particular any manual journal entries posted to revenue or control accounts and journals posted by senior management;
- reviewing senior management board meeting minutes for evidence of any fraud or non-compliance with laws and regulations.

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

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

Use of our report

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

DocuSigned by:

Malcolm Thixton (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton

Date: 28 April 2022

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

BLUE DIAMOND UK PROPERTIES LIMITED
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
TURNOVER	4	4,354,771	3,428,783
Administrative expenses		<u>-</u>	<u>-</u>
		4,354,771	3,428,783
Profit on sale of freehold property		-	-
Gain on revaluation of investment properties		<u>3,785,495</u>	<u>14,873,974</u>
OPERATING PROFIT	4	8,140,266	18,302,757
Interest payable	5	<u>(141,113)</u>	<u>(169,941)</u>
PROFIT BEFORE TAXATION		7,999,153	18,132,816
Tax on profit	6	<u>(2,973,601)</u>	<u>(3,769,819)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>5,025,552</u>	<u>14,362,997</u>
Profit and loss account at beginning of year		29,130,144	14,767,147
Profit for the year		5,025,552	14,362,997
Dividends		<u>(2,000,000)</u>	<u>-</u>
PROFIT AND LOSS ACCOUNT AT END OF YEAR		<u>32,155,698</u>	<u>29,130,144</u>

The notes on pages 9 to 14 form part of these financial statements

BLUE DIAMOND UK PROPERTIES LIMITED (REGISTERED NUMBER: 01413241)

**STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Investment properties	7	46,900,000	41,300,000
CURRENT ASSETS			
Debtors			
CREDITORS			
Amounts falling due within one year	8	(751,239)	(928,109)
NET CURRENT LIABILITIES		<u>(751,239)</u>	<u>(928,109)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		46,148,761	40,371,891
CREDITORS			
Amounts falling due after more than one year	9	(7,420,698)	(6,870,711)
PROVISIONS FOR LIABILITIES	10	<u>(6,552,367)</u>	<u>(4,351,036)</u>
NET ASSETS		<u>32,175,696</u>	<u>29,150,144</u>
CAPITAL AND RESERVES			
Called up share capital	11	19,508	19,508
Capital redemption reserve		492	492
Profit and loss account		<u>32,155,696</u>	<u>29,130,144</u>
		<u>32,175,696</u>	<u>29,150,144</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 28 April 2022 and were signed on its behalf by:



.....
R J Hemans - Director

The notes on pages 9 to 14 form part of these financial statements

BLUE DIAMOND UK PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. GENERAL INFORMATION

Blue Diamond UK Properties Limited is a private company, limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the Company's principal activity is set out in the Directors' Report.

2. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention as modified by the revaluation of investment properties, and in accordance with Section 1A of Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") as applicable to small entities, and the Companies Act 2006.

The financial statements are presented in 'sterling', which is the Company's functional and presentation currency.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company accounting policies (see note 3).

The following principal accounting policies have been consistently applied:

Going concern

The financial statements have been prepared on the going concern basis as the Directors have prepared detailed budgets for a period of at least 12 months from the date of signing the accounts which show that the Company is expected to be able to meet all its liabilities as they fall due. However, it is acknowledged that the global and UK outbreak of COVID-19 has had a profound impact on the global and UK economy and businesses.

As a result of the market uncertainty due to the ongoing impact of COVID-19 the possible effect on available cash during the next 12 months trading has been modelled under a range of assumptions and sensitivities. As part of this, the Directors have produced a detailed going concern stress test for the Blue Diamond Limited Group, of which this company is a part. The conclusion of our stress test for Blue Diamond Limited is that the business could sustain a material loss of turnover over the course of the 12 months following date of the financial statements, without exceeding current banking facilities. Even then the Company and the Group has multiple options available to remain a going concern, including but not limited to cost reductions, scaling back its uncommitted capital expenditure programme and cancelling or reducing the interim and final dividends.

The Group, and the companies which are wholly owned, is expected to remain in a strong financial position during the forecast period from the date of signing the accounts. The Directors are confident of being able to trade for a period of at least 12 months from the approval of the financial statements and have therefore concluded that it is appropriate for the financial statements to be prepared on the going concern basis. Following the Group's refinancing on 31 March 2021, the Company has access to £60m of borrowing facilities until at least 31 March 2024.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding rebates, value added tax and other sales taxes.

Rental income from turnover based rent agreements is recognised in the period in which the income is earned.

Finance costs

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

Investment properties

Investment properties include properties that are held for long term rental yields and/or for capital appreciation. Investment properties are initially recognised at cost and subsequently carried at fair value. Fair values are determined from market-based evidence obtained by independent professionally qualified valuers every three years. The Directors carry out desktop reviews of the fair values in between the independent valuations to ensure that the amounts do not differ materially from that which would have been determined using independent valuations at the reporting date. No depreciation is provided on investment properties. Changes in fair value are recognised in the Statement of Income and Retained Earnings.

BLUE DIAMOND UK PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities including loans from related parties.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised directly in equity is also recognised directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- o The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- o Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Profit and loss account

Profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements the Directors have made the following significant judgements and key estimates:

Investment properties:

Investment properties were last fully revalued in 2020 although in 2021 the Directors have adopted the valuations calculated as part of a desktop review valuation performed by third party valuers, Knight Frank LLP. The desktop review was based on an assessment of market conditions and the financial and operating performances of the underlying businesses. Key inputs into the property valuations included the financial performance of the garden centres, the overall potential for the property and business, location, catchment, local demographics, competition, planning, plot size, market conditions, benchmarking and physical inspection of the properties.

4. REVENUE AND OPERATING PROFIT

Revenue, comprising rental income from investment properties, and operating profit derive wholly from continuing activities carried out exclusively in the United Kingdom.

No Director received any remuneration during the year and the Company had no employees (2020: nil).

5. INTEREST PAYABLE

	2021	2020
	£	£
On amount due to ultimate parent company	<u>141,113</u>	<u>169,941</u>

BLUE DIAMOND UK PROPERTIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

6. TAXATION

	2021 £	2020 £
UK corporation tax		
Current tax on profits for the year	772,284	598,506
Adjustments in respect of previous periods	<u>(14)</u>	<u>166,236</u>
Total current tax	<u>772,270</u>	<u>764,742</u>
Deferred tax		
Origination and reversal of timing differences	827,300	2,846,729
Adjustments in respect of previous periods	15	
Effect of tax rate change on opening balance	<u>1,374,016</u>	<u>158,348</u>
Total deferred tax	<u>2,201,331</u>	<u>3,005,077</u>
Taxation on profit	<u>2,973,601</u>	<u>3,769,819</u>

Factors affecting tax charge for the year

The tax assessed for the year is more than (2020: is more than) the standard rate of corporation tax in the UK 19% (2020: 19%). The differences are explained below:

	2021 £	2020 £
Profit before tax	<u>7,999,153</u>	<u>18,132,816</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	1,519,839	3,445,235
Effects of:		
Movement in deferred tax not recognised	(118,807)	12,506
Adjustments to tax charge in respect of prior periods	(14)	166,236
Adjustments to tax charge in respect of prior periods – deferred tax	15	
Effect of tax rate change	<u>1,572,568</u>	<u>145,842</u>
Total tax charge for the year	<u>2,973,601</u>	<u>3,769,819</u>

Factors that may affect future tax charges

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse. For further information on deferred tax balances, see note 13.

BLUE DIAMOND UK PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

7. INVESTMENT PROPERTIES

	Freehold Investment properties £
Valuation	
At 1 January 2021	41,300,000
Additions at cost	1,814,505
Revaluation	<u>3,785,495</u>
At 31 December 2021	<u>46,900,000</u>

The carrying values adopted in these financial statements for the year ended 31 December 2021 were based upon desktop valuations undertaken by an external, professionally qualified valuer, Knight Frank LLP.

Management have reviewed these valuations and consider it appropriate to recognise these valuations at 31 December 2021.

The valuations were undertaken in accordance with the requirements of the latest editions of RICS Valuations – Global Standards (which incorporate the International Valuation Standards) and the UK National supplement and FRS 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (and any other regulatory requirements).

The valuation of each property was an owner-occupied property; valued to fair value assuming the property would be sold as part of the continuing business.

Details of the assumptions made and the key sources of estimation uncertainty are given in note 3.

The Company has provided first legal charges in favour of The Royal Bank of Scotland International Limited (trading as NatWest International) over its investment properties as security for Group bank loan and overdraft facilities as set out in note 12.

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

	2021 £	2020 £
Historic cost	24,069,737	22,255,232
Accumulated depreciation (40 - 50 years on freehold buildings)	<u>(758,354)</u>	<u>(295,794)</u>
Carrying value at the end of the year	<u>23,311,383</u>	<u>21,959,438</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
UK corporation tax	<u>751,239</u>	<u>928,109</u>

BLUE DIAMOND UK PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Amount due to Blue Diamond Limited	<u>7,420,698</u>	<u>6,870,711</u>

The amount due to Blue Diamond Limited, the ultimate parent company, is unsecured and bears interest at 1.5% (2020: 1.5%) above the one month UK LIBOR rate per annum. Whilst the amount is repayable on demand, the Directors have received written formal confirmation from the ultimate parent company that the loan will not be repayable within one year from the date of approval of these financial statements.

10. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
At beginning of year	4,351,036	1,345,959
Charged to profit	<u>2,201,331</u>	<u>3,005,077</u>
At end of year	<u>6,552,367</u>	<u>4,351,036</u>

The provision for deferred taxation is made up as follows:

	2021	2020
	£	£
Accelerated capital allowances	327,103	220,272
Capital gains	6,381,589	4,130,764
Short term timing differences	<u>(156,325)</u>	<u>-</u>
	<u>6,552,367</u>	<u>4,351,036</u>

11. CALLED UP SHARE CAPITAL

	2021	2020
	£	£
Authorised, allotted, called up and fully paid 19,508 'A' ordinary shares of £1 each	<u>19,508</u>	<u>19,508</u>

12. CONTINGENT LIABILITIES

The Company is party to a cross guarantee agreement for the Group loan and overdraft facilities of its ultimate parent company, Blue Diamond Limited. At the year end the liabilities covered by these guarantees totalled £30,125,000 (2020: £33,041,673). In the opinion of the Directors, no liability to the Company is expected to arise as a result of this guarantee.

13. RELATED PARTY TRANSACTIONS

In the preparation of these financial statements the Directors have taken advantage of the exemption under FRS 102 and have not disclosed the details of related party transactions with wholly owned subsidiaries of Blue Diamond Limited (note 14).

BLUE DIAMOND UK PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

14. ULTIMATE CONTROLLING PARTY

The Company's immediate parent company is MGCL Limited, a company incorporated in England.

The ultimate parent company is Blue Diamond Limited, a company incorporated in Guernsey. This is the largest and smallest group in which the Company's results are consolidated. Copies of the Group financial statements are available from Rue du Friquet, Castel, Guernsey, GY5 7SS.

The issued share capital of Blue Diamond Limited is owned by numerous parties, and therefore, in the opinion of the Directors, the ultimate controlling party is Blue Diamond Limited.