

Watad (UK) Properties Limited

Directors' Report and Financial Statements

Year Ended

31 December 2021

Company Number 10950052

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Watad (UK) Properties Limited

Company Information

Directors	T J Wooldridge G Hutton A Clarke J Hammond
Company secretary	R Croft
Registered number	10950052
Registered office	The Gate International Drive Solihull B90 4WA
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Watad (UK) Properties Limited

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Watad (UK) Properties Limited

Directors' report For the year ended 31 December 2021

The directors present their report and the audited 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:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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.

Results and dividends

The profit for the year, after taxation, amounted to £862,803 (2020: £391,959).

The directors have not paid or proposed any dividends during the year (2020: £Nil).

Directors

The directors who served during the year were:

T J Wooldridge
G Hutton
A Clarke
J Hammond

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- 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.

Watad (UK) Properties Limited

Directors' report (continued)
For the year ended 31 December 2021

Going concern

At 31 December 2021, the Company had net current liabilities of £12,029,860 (2020: £12,422,683) which primarily arose as a result of on-demand loan facilities provided by fellow group undertakings. Until such time as the Company is able to generate sufficient revenues to repay the loan due to its fellow group undertakings, it is reliant on the support of those group undertakings to continue to make existing facilities available and provide additional funding to finance any shortfall on the ongoing operating costs of the Company.

The directors have considered the impacts of the uncertainties currently being observed including increasing inflation and interest rates as the wider economy emerges from the COVID-19 global pandemic. The Russia-Ukraine conflict has added to these uncertainties albeit the directors have not identified any direct impact from this event. As the Company is reliant on the support of I.M. Properties Plc, it is considered appropriate to refer to the Group financial statements which set out the wider group implications of the pandemic and the Group's assessment of its basis of preparing its financial statements as a going concern. It is on that basis that the directors have determined that the Company should prepare its financial statements as a going concern.


Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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.

This report was approved by the board on 28 September 2022 and signed on its behalf.



A Clarke
Director

Watad (UK) Properties Limited

Independent auditor's report to the members of Watad (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 Watad (UK) Properties Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the 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.

Watad (UK) Properties Limited

Independent auditor's report to the members of Watad (UK) Properties Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' 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.

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 has 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; or
- the directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

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.

Watad (UK) Properties Limited

Independent auditor's report to the members of Watad (UK) Properties Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

- We gained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and considered the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud.
- We considered the Company's compliance with laws and regulations that have a direct impact on the financial statements including, but not limited to, UK company law and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the Company financial statements.
- We designed audit procedures to identify instances of non-compliance with such laws and regulations. Our procedures included reviewing the financial statement disclosures and agreeing to underlying supporting documentation where necessary. We reviewed minutes of all Board meetings held during and subsequent to the year end for any indicators of non-compliance and made enquiries of management and of the directors as to the risks of non-compliance and any instances thereof. We also made similar enquiries of advisers to the Company, where information from that adviser has been used in the preparation of the financial statements.
- We addressed the risk of management override of internal controls, including testing journal entries processed during and subsequent to the year end and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.
- We designed audit procedures that specifically address the fraud risk due to improper revenue recognition. Through our tailored procedures, we were able to mitigate the fraud risk by focusing on where management may feel pressure to achieve expected results to meet interest cover covenants or achieve bonuses.

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.

Watad (UK) Properties Limited

Independent auditor's report to the members of Watad (UK) Properties Limited (continued)

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:

Geraint Jones

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Geraint Jones (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 28 September 2022

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

Watad (UK) Properties Limited

Statement of comprehensive income For the year ended 31 December 2021

	Note	2021 £	2020 £
Turnover	4	489,829	489,934
Cost of sales		-	(98)
Gross profit		489,829	489,836
Administrative expenses		(4,898)	(4,900)
Gain on fair value of investment property		630,000	-
Operating profit	5	1,114,931	484,936
Interest receivable and similar income		36	-
Profit before taxation		1,114,967	484,936
Taxation on profit	7	(252,164)	(92,977)
Profit for the year and total comprehensive income		862,803	391,959

There was no other comprehensive income for 2021 (2020: £Nil).

The notes on pages 10 to 18 form part of these financial statements.

Watad (UK) Properties Limited

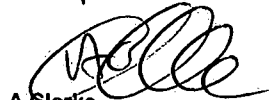
Registered number: 10950052

Balance sheet As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Investment property	8	14,330,000	13,700,000
Current assets			
Debtors: amounts falling due within one year	9	37	38,107
Current liabilities			
Creditors: amounts falling due within one year	10	(12,029,897)	(12,460,790)
Net current liabilities		<u>(12,029,860)</u>	<u>(12,422,683)</u>
Total assets less current liabilities		<u>2,300,140</u>	<u>1,277,317</u>
Provisions for liabilities			
Deferred tax	11	(168,000)	(7,980)
Net assets		<u>2,132,140</u>	<u>1,269,337</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	2,132,139	1,269,336
		<u>2,132,140</u>	<u>1,269,337</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

28 September 2022



A Clarke
Director

The notes on pages 10 to 18 form part of these financial statements.

Watad (UK) Properties Limited

Statement of changes in equity For the year ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	1	1,269,336	1,269,337
Comprehensive income for the year			
Profit for the year	-	862,803	862,803
Total comprehensive income for the year	-	862,803	862,803
At 31 December 2021	1	2,132,139	2,132,140

Statement of changes in equity For the year ended 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	1	877,377	877,378
Comprehensive income for the year			
Profit for the year	-	391,959	391,959
Total comprehensive income for the year	-	391,959	391,959
At 31 December 2020	1	1,269,336	1,269,337

The notes on pages 10 to 18 form part of these financial statements.

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

1. General information

Watad (UK) Properties Limited is a private company incorporated in England and Wales under the Companies Act 2006. It is a company limited by shares. The address of the registered office is given on the Company information page. The principal activity of the Company is property investment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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's accounting policies (see note 3).

The financial statements are drawn up to the nearest whole £, except where otherwise indicated.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of I.M. Properties Plc as at 31 December 2021 and these financial statements may be obtained from Companies House.

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

2. Accounting policies (continued)

2.3 Going concern

At 31 December 2021, the Company had net current liabilities of £12,029,860 (2020: £12,422,683) which primarily arose as a result of on demand loan facilities provided by fellow group undertakings. Until such time as the Company is able to generate sufficient revenues to repay the loan due to its fellow group undertakings, it is reliant on the support of those group undertakings to continue to make existing facilities available and provide additional funding to finance any shortfall on the ongoing operating costs of the Company.

The directors have considered the impacts of the uncertainties currently being observed including increasing inflation and interest rates as the wider economy emerges from the COVID-19 global pandemic. The Russia-Ukraine conflict has added to these uncertainties albeit the directors have not identified any direct impact from this event. As the Company is reliant on the support of I.M. Properties Plc, it is considered appropriate to refer to the Group financial statements which set out the wider group implications of the pandemic and the Group's assessment of its basis of preparing its financial statements as a going concern. It is on that basis that the directors have determined that the Company should prepare its financial statements as a going concern.

2.4 Turnover

Turnover comprises of rents receivable less value added tax.

Rental income from operating leases is credited to the Statement of comprehensive income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance sheet date.

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

2. Accounting policies (continued)

2.6 Investment property

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

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.8 Creditors

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

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

2. Accounting policies (continued)

2.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors (excluding prepayments) and creditors (excluding deferred income), loans from banks and other third parties and loans from related parties. Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance sheet date.

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

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, the directors have made the following judgement:

- valuations performed by the directors have been used as the fair value of investment properties. The valuation is performed according to RICS rules, using appropriate levels of professional judgement for the prevailing market conditions. Professional judgement is applied in determining such things as appropriate yield for a given property and estimated rental values.

4. Turnover

Turnover is wholly attributable to the principal activity of property rental and arises solely within the United Kingdom.

5. Operating profit

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

The auditor's remuneration is borne by another group company.

6. Employees

The directors, the only employees of the Company received no remuneration for their services in relation to the Company.

7. Taxation

	2021 £	2020 £
Corporation tax		
Group taxation relief	92,144	92,138
Adjustments in respect of previous periods	-	(1)
Total current tax	92,144	92,137
Deferred tax		
Origination and reversal of timing differences	157,500	-
Effect of tax rate change on opening balance	2,520	840
Total deferred tax	160,020	840
Taxation on profit	252,164	92,977

Factors affecting tax charge for the year

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

	2021 £	2020 £
Profit on ordinary activities before tax	1,114,967	484,936
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	211,844	92,138
Effects of:		
Adjustments in respect of previous periods	-	(1)
Payment for group relief	92,144	-
Group relief (claimed)/surrendered	(92,144)	840
Remeasurement of deferred tax for changes in tax rates	40,320	-
Total tax charge for the year	252,164	92,977

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

8. Investment property

	Freehold investment properties £
Valuation	
At 1 January 2021	13,700,000
Surplus on revaluation	630,000
At 31 December 2021	14,330,000

The 31 December 2021 valuations were made by the directors, on an open market value for existing use basis.

The historical cost of the freehold investment property at 31 December 2021 was £13,658,000 (2020: £13,658,000).

Investment properties are valued annually using a yield methodology based upon comparable evidence available in the market. There is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

The Company has granted fixed charges on the investment property as security to the lenders to fellow group and related undertakings.

9. Debtors

	2021 £	2020 £
Trade debtors	37	24
Corporation tax	-	38,083
	<u>37</u>	<u>38,107</u>

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Amounts owed to group undertakings	11,916,957	12,347,851
Accruals and deferred income	112,940	112,939
	<u>12,029,897</u>	<u>12,460,790</u>

Amounts owed to group undertakings are unsecured and repayable on demand.

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

11. Deferred taxation

	2021 £
At beginning of year	(7,980)
Charged to the Statement of comprehensive income	(160,020)
At end of year	<u>(168,000)</u>

The deferred tax liability is made up as follows:

	2021 £	2020 £
Capital gains	<u>(168,000)</u>	<u>(7,980)</u>

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

12. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

13. Reserves

The profit and loss account is the cumulative comprehensive income less items recognised in other equity reserves.

14. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	489,829	489,829
Later than 1 year and not later than 5 years	1,959,316	1,959,316
Later than 5 years	56,736,317	57,226,146
	<u>59,185,462</u>	<u>59,675,291</u>

15. Related party disclosures

The Company is controlled by I.M. Properties Plc. The immediate parent company is IMP Investments Limited, which owns 100% of the issued share capital. The Company's ultimate controlling party is Lord Edmiston who has the control of the majority of the issued share capital of IMG Jersey Holdings Limited, the ultimate parent company at the reporting date.

The Company is a wholly owned subsidiary of I.M. Group Limited and has taken advantage of the exemption conferred by FRS 102 paragraph 33.1A not to disclose transactions with IMP Investments Limited or other wholly owned subsidiaries within the group.

16. Ultimate parent company and parent undertaking of larger group

The ultimate parent company is IMG Jersey Holdings Limited, a company incorporated in Jersey.

The largest group in which the results of the Company are consolidated is that headed by I.M. Group Limited, incorporated in England and Wales. The smallest group in which they are consolidated is that headed by I.M. Properties Plc, incorporated in England and Wales. The consolidated financial statements are available to the public and may be obtained from Companies Registration Office, Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

Watad (UK) Properties Limited

Notes to the financial statements For the year ended 31 December 2021

17. Contingencies and commitments

The Company has entered into an unlimited cross-guarantee with fellow subsidiary undertakings, guaranteeing bank term facilities at 31 December 2021 of £7,400,000 (2020: £125,025,000).