Registered number: 09747871

FOUR ASHES LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2021

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Directors' Report

The Directors present their annual report and financial statements (the "financial statements") of Four Ashes Limited (the "Company") for the year ended 31 December 2021 (the "year").

Business Review
The principal activity of the Company during the year was investment into a strategic rail freight interchange project in South Staffordshire, which is known as West Midlands Interchange.

Results and distributions
The loss for the year, after taxation, amounted to £1,816,141 (2020 - £1,605,231).
The Directors have not recommended a payment of a dividend in the year (2020 - nil).

Directors
The Directors who served during the period and at the date of the report were:

Peter Frost	resigned 7 July 2021
Timothy Budden	resigned 7 July 2021
Piers Monckton	resigned 7 July 2021
Christopher Taite	resigned 7 July 2021
James Boadle	appointed 7 July 2021
Ann Hodgetts	appointed 7 July 2021
Alison Lambert	appointed 7 July 2021 and resigned 1 October 2022
Robin Everall	appointed 7 October 2022

Statement of Directors' responsibilities
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.
Company Law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Company financial statements in accordance with UK-adopted International Accounting Standards.

Under company law, 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 Company and of the profit or loss of the Company for that period. In preparing financials statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted International Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for prevention and detection of fraud and other irregularities.

The Directors are also 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 Company's Act 2006.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

Directors' Report continued

Going concern
In assessing whether the going concern basis of preparation is appropriate to adopt, the Directors have not identified events or conditions that may cast significant doubt on the Company's ability to be a going concern. The Directors recognise the current net liability position and note that it is caused by the borrowings and accrued interest on the borrowings.
The Company relies on funding from related parties OPG European Debt Holdings S.à r.l. and LCP Belgium NV.
Oxford European Holdings Inc ("OEHI"), the beneficial owner through its affiliates, of 95% interest in the Company and 100% in OPG European Debt Holdings S.à r.l. has provided a letter of support to West Midlands Holdings I Limited for the whole group of which the Company is a member.

Taking into consideration the current asset and liability position, and the letter of support from OEHI, the Directors believe the going concern basis of preparation is appropriate.

Political Contributions
The Company made no political donations nor incurred any political expenses during the year.

Small companies
In preparing this report, the Directors have taken advantage of the small companies exemptions provided by part 15 of the Companies Act 2006.

Secretary
The Secretary of the Company who has was appointed as Secretary on 7 July 2021 is Crestbridge UK Limited.

Approved by the Board of Directors on and signed on behalf of the Board.

Director: DocuSigned by:
Robin Everall
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Robin Everall

Registered office
8 Sackville Street
London
W1S 3DG

Registered number: 09747871

STATEMENT OF FINANCIAL POSITION
as at 31 December 2021

	Note	31 Dec 21 £	31 Dec 20 £
ASSETS			
Non-current assets			
Tangible assets	4	29,674,762	12,816,119
		29,674,762	**12,816,119**
Current assets			
Cash and cash equivalents		347,994	29,096
Trade and other receivables	5	67,552	237,888
		415,546	**266,984**
TOTAL ASSETS		**30,090,308**	**13,083,103**
LIABILITIES AND EQUITY			
LIABILITIES			
Non-current liabilities			
Preference shares	8	38,286,000	37,710,000
		38,286,000	**37,710,000**
Current liabilities			
Trade and other payables	7	420,224	264,801
Borrowings	6	16,607,642	-
Interest payable on borrowings	6	3,070,643	1,437,362
		20,098,509	1,702,163
TOTAL LIABILITIES		**58,384,509**	**39,412,163**
SHAREHOLDER'S EQUITY			
Share capital	9	425,000	190,000
Deficit		(3,495,201)	(1,679,060)
Other reserves	10	(25,224,000)	(24,840,000)
TOTAL EQUITY		**(28,294,201)**	**(26,329,060)**
TOTAL LIABILITIES AND EQUITY		**30,090,308**	**13,083,103**

The financial statements on pages 4 to 7 were approved and authorised for issue by the Board of Directors on 6th December 2022 and were signed on their behalf by: Robin Everall

DocuSigned by:
Robin Everall
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For the financial period in question the Company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The Directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provision applicable to companies subject to the small companies regime.

The notes on pages 8 to 17 are an integral part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME
for the year ending 31 December 2021

	Note	2021 £	2020 £
INCOME			
Other income		-	450
		-	450
EXPENSES			
General and administrative fees		(142,150)	(168,501)
Non-recoverable property expenses		(40,710)	-
		(182,860)	(168,501)
FINANCE COSTS - NET			
Interest expense	6	(1,633,281)	(1,437,362)
Interest receivable		-	182
		(1,633,281)	(1,437,180)
LOSS BEFORE INCOME TAX		(1,816,141)	(1,605,231)
Income tax	12	-	-
TOTAL LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		**(1,816,141)**	**(1,605,231)**

There is no other comprehensive income, as defined by IAS1: 'Presentation of Financial Statements'.
All items relate to continuing operations.

The notes on pages 8 to 17 are an integral part of these financial statements

STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY
for the year ending 31 December 2021

	Share Capital £	Other Reserves £	Profit and Loss account £	Total £
Balance as at 1 January 2020	100	(23,900,000)	(73,829)	(23,973,729)
Ordinary Shares issued	189,900	-	-	189,900
Loss for the year	-	-	(1,605,231)	(1,605,231)
Capital distribution	-	(940,000)	-	(940,000)
Balance as at 31 December 2020	**190,000**	**(24,840,000)**	**(1,679,060)**	**(26,329,060)**
Balance as at 1 January 2021	190,000	(24,840,000)	(1,679,060)	(26,329,060)
Ordinary Shares issued	235,000	-	-	235,000
Loss for the year	-	-	(1,816,141)	(1,816,141)
Capital distribution	-	(384,000)	-	(384,000)
Balance as at 31 December 2021	**425,000**	**(25,224,000)**	**(3,495,201)**	**(28,294,201)**

The notes on pages 8 to 17 are an integral part of these financial statements

STATEMENT OF CASH FLOWS
for the year ending 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Loss before income tax		(1,816,141)	(1,605,231)
Adjustments for:			
Interest on borrowings		1,633,281	1,437,362
Changes in working capital:			
Decrease in trade and other receivables		170,336	695,542
Increase in trade and other payables		155,423	131,195
Net cash generated from operating activities		**142,899**	**658,868**
Cash flows from investing activities			
Purchase of land	4	(14,345,750)	(1,426,057)
Purchase of land - acquisition costs	4	(790,095)	-
Development expenditure		(1,722,798)	-
Net cash used in investing activities		**(16,858,643)**	**(1,426,057)**
Cash flows from financing activities			
Proceeds from issue of share capital		235,000	189,900
Proceeds from issue of preference shares		192,000	470,000
Proceeds from borrowings - Shareholder loans		16,607,642	-
Net cash generated from financing activities		**17,034,642**	**659,900**
Increase in cash and cash equivalents		318,898	(107,289)
Cash and cash equivalents at the beginning of the period		29,096	136,385
Cash and cash equivalents at the end of the period		**347,994**	**29,096**

The notes on pages 8 to 17 are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

1 General information

Four Ashes Limited (the "Company") invests in and develops real estate property in the United Kingdom. The principal activity of the Company during the year was investment into a strategic rail freight interchange project in South Staffordshire, which is known as West Midlands Interchange.

The Company is a private company limited by share capital incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The registered office is 8 Sackville Street, London, United Kingdom, W1S 3DG. Shares of the Company are held 100% by West Midlands Holdings II Limited.

These financial statements have been approved for issue by the Board of Directors.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

Statement of compliance

The financial statements of the Company have been prepared in accordance with UK-adopted international accounting standards ("IFRS").

Statement of comprehensive income

The Company has elected to present a statement of comprehensive income and presents its expenses by nature.

(b) Preparation of the financial statements and going concern

The financial statements have been prepared on a going concern basis applying a historical cost convention.

(c) Going concern

In assessing whether the going concern basis of preparation is appropriate to adopt, the Directors have not identified events or conditions that may cast significant doubt on the Company's ability to be a going concern. The Directors recognise the current net liability position and note that it is caused by the borrowings and accrued interest on the borrowings.
The Company relies on funding from related parties OPG European Debt Holdings S.à r.l. and LCP Belgium NV.
Oxford European Holdings Inc ("OEHI"), the beneficial owner through its affiliates, of 95% interest in the Company and 100% in OPG European Debt Holdings S.à r.l. has provided a letter of support to West Midlands Holdings I Limited for the whole group of which the Company is a member.

(d) New accounting standards and interpretations

(i) New and amended standards adopted by the Company

The Company has adopted all existing applicable standards as this is the first accounting period.

(ii) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Company. The Company is assessing the impact of the following standards:

- Amendments to IAS 1– Classification of liabilities as current or non-current.
- Amendments to IAS 8 - Definition of Accounting estimates.
- Onerous contracts - Cost of fulfilling a contract - Amendments to IAS 37.

The following standards are not expected to have a material impact on the entity in the current or future reporting periods or on foreseeable future transactions:
- IFRS 17 - Insurance contracts.
- Amendments to IAS 16 - Proceeds before intended use.
- Amendments to IAS 12 - Deferred taxes related to assets and liabilities arising from a single transaction.
- Amendments to IFRS 16 - COVID-19 rent concession amendment - extension.
- Annual improvements to IFRS's 2018-2020 cycle.
- Amendments to IFRS 3 - Reference to the Conceptual Framework.
- Amendments to IFRS 10 and IAS 28 - Sale or contribution of asset between an investor and its associate or joint venture.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

(e) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). The financial statements are presented in Pound Sterling ("£"), which is the Company's functional currency and presentation currency.

(f) Investment property

Property, including land and buildings, that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property. As at 31 December 2021, the Company's investment property comprised of land held for future development and use.

Investment property is initially measured at cost including related transaction costs. After initial recognition, investment property is measured at fair value in accordance with IAS 40 with movements in value recognised as gains or losses in the Statement of Comprehensive Income.

Properties under development are carried at fair value to the extent that fair value can be determined reliably. In assessing whether fair value can be determined reliably, management considers factors such as the stage of completion of the construction, the level of reliability of cash flows after completion, the development risk specific to the property, past experience with similar developments and other factors.

All costs directly associated with the purchase and construction of development properties are capitalized (including borrowing costs). Directly attributable property taxes and other carrying costs are capitalized to properties under development from the time when development commences until the development reaches substantial completion. When development properties are substantially completed, they are reclassified as income-producing properties.

Land held for future development and use is carried at fair value. All costs directly associated with the purchase of the land held for future development and use are capitalized.

Borrowing costs directly attributable to the acquisition or construction of a property under development are capitalized. The amount of borrowing costs capitalized is determined first by reference to borrowings specific to the project, where relevant, and otherwise by applying a weighted average cost of borrowings to eligible expenditures after adjusting for borrowings associated with other specific developments. Where borrowings are associated with specific developments, the amount capitalized is the gross cost incurred on those borrowings less any investment income arising from such borrowings. Borrowing costs are capitalized while acquisition and construction activities necessary to prepare the asset for its intended use are underway. Capitalization is suspended if the development of the asset is suspended for an extended period of time and ceases once the asset is ready for its intended use.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

(g) Cash and cash equivalents
Cash and cash equivalents include cash and short-term investments with original maturity dates of less than 90 days.

(h) Financial instruments

Financial assets and liabilities are recognised when the Company first becomes a party to the contractual rights and obligations in the contract. Financial assets and liabilities are recognised initially at fair value, plus or minus, in the case of financial asset and liabilities carried at amortised cost, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit and loss are expensed. Trade receivables that do not contain a significant financing component, as defined by IFRS 15, are measured at the transaction price. Subsequent measurement depends on the initial classification of the financial asset or financial liability.

The classification of financial assets depends on the entity's business model in which the assets are managed and the contractual cash flow characteristics of the asset. Financial assets are classified and subsequently measured based on three categories: (i) amortised cost (ii) fair value through other comprehensive income ("FVOCI") with fair value gains or losses recycled to net income on de-recognition or (iii) fair value through profit and loss ("FVTPL"). Financial assets are recorded at amortised cost only when financial assets are held with the objective of collecting contractual cash flows and those cash flows represent solely payments of principal and interest ("SPPI") and are not designated as FVTPL. The Company does not hold any financial assets that are classified as FVOCI. Financial assets carried at amortised cost include cash and cash equivalents and trade and other receivables.

Financial liabilities are classified and subsequently measured at amortised cost, except for those that are derivative financial instruments or financial liabilities that are held for trading which are classified as FVTPL. The FVTPL option can also be irrevocably elected at initial recognition of financial liabilities, if it eliminates or significantly reduces an accounting mismatch, the financial liability is part of a portfolio that is managed and evaluated on a fair value basis, in accordance with a documented risk management or investment strategy or there is an embedded derivative in the financial or non-financial host contract and the derivative is not closely related to the host contract. Financial liabilities carried at amortised cost include trade and other payables and borrowings.

Financial assets are derecognised only when the contractual rights to the cash flows from the financial asset expire or the Company transfers substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

Financial assets and liabilities are classified as current assets and current liabilities if payment is due within 12 months, otherwise, they are presented as non-current assets and liabilities.

Interest income and expense are recognised in the Statement of Comprehensive Income using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

(i) Impairment of financial assets

At each reporting date, the Company assesses each financial asset measured at amortised cost for impairment using the expected credit loss ("ECL") model.

The impairment loss for trade and other receivable is determined using the simplified ECL model which calculates an impairment loss based on lifetime ECLs. ECLs are based on the difference in cash flows the Company expects to receive and the contractual cash flows due in accordance with the contract, discounted using the asset's original effective interest rate. In determining ECLs, the Company considers its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

(j) Shareholder's capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(k) Expenses

All expenses are accounted for on an accruals basis and are charged through the Statement of Comprehensive Income as and when incurred.

(l) Taxation

Income tax expense comprises current and deferred income tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity, in which case the tax is recognised in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted at the date of the Statement of Financial Position and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available, against which the temporary differences can be utilised.

The Company is subject to a value added tax ("VAT") of 20% for providing real estate services. The amount of VAT liability is determined by applying the applicable tax rate to the invoiced amount of services provided (output VAT) less VAT paid on purchases made with the relevant supporting invoices (input VAT). The Company reports revenue net of value added tax for all the periods presented in the statements of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

3 Critical accounting estimates and assumptions

The preparation of financial statements in accordance with the basis of accounting disclosed in note 2, requires the Directors to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities including impairment of accounts receivables, income and expenses. Such judgements include the impairment of financial assets including receivables as disclosed in note 5. Although these estimates are based on the Directors' best knowledge of the events and amounts involved, actual results ultimately may differ from those estimates.

4 INVESTMENT PROPERTY

	2021	2020
	£	£
Opening Value	12,816,119	11,390,062
Acquisition Costs	790,095	1,426,057
Land purchases in the year	14,345,750	-
Capital expenditure in the year	1,722,798	-
	29,674,762	12,816,119

The Directors believe that the closing carrying value of £29,674,762 represents the highest and best use of the investment property as at the period end.

The Directors have taken into consideration the price paid for the land acquire and the development consent order. The opportunity the site as a whole once developed into a logistics park with rail freight terminal offers supports the Directors believe that the closing value is a fair representation of the assets held.

5 TRADE AND OTHER RECEIVABLES

	2021	2020
	£	£
Amount due from West Midlands Holdings II Limited	40,409	-
VAT Recoverable	27,143	-
Other debtors - prepayments	-	237,888
	67,552	237,888

The carrying value of trade and other receivables approximates the fair value of their relative short maturity.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

6 BORROWINGS

	2021	2020
	£	£
LCP Belgium NV (LCP) - interest bearing	830,382	-
OPG European Debt Holdings S.à r.l. - interest bearing	15,777,260	-
	16,607,642	-

INTEREST PAYABLE ON BORROWINGS & PREFERENCE SHARES

	2021	2020
	£	£
LCP Belgium NV (LCP)	8,357	-
OPG European Debt Holdings S.à r.l.	158,838	-
Preference Shares	2,903,448	1,437,362
	3,070,643	1,437,362

On 8 October 2021, the Company entered into two interest bearing loan facilities one with OPG European Debt Holdings S.à r.l. and one with Logistics Capital Partners Belgium NV. An interest rate of 3% per annum applies to both facilities. The loan facility with OPG European Debt Holdings S.à r.l. amounts to £42,500,000, of that £15,777,260 were called and outstanding as at 31 Dec 2021. The loan facility with Logistics Capital Partners Belgium NV amounts to £2,200,000, of that £830,832 were called and outstanding as at 31 December 2021.

INTEREST ON BORROWINGS & PREFERENCE SHARES

	2021	2020
	£	£
Logistics Capital Partners	8,357	-
OPG European Debt Holdings S.a.r.l.	158,838	-
Preference Shares	1,466,086	1,437,362
	1,633,281	1,437,362

Interest has accrued on the Preference Shares, including the premium on redemption, from the date of the Development Consent Order in May 2020. The interest terms are set out in Note 8.

7 TRADE AND OTHER PAYABLES

	2021	2020
	£	£
Trade Creditors	420,224	82,190
Accruals	-	182,611
	420,224	264,801

The carrying value of trade and other payables approximates fair value due to their relatively short maturity.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

8 PREFERENCE SHARES

		2021	2020
Redeemable preference shares:		£	£
Issue price -	A1 Preference Shares	6,802,000	6,802,000
	A2 Preference Shares	5,810,000	5,618,000
	B Preference Shares	450,000	450,000
		13,062,000	12,870,000

		2021	2020
		£	£
Capital distribution -	A1 Preference Shares	13,604,000	13,604,000
	A2 Preference Shares	11,620,000	11,236,000
		25,224,000	24,840,000
		38,286,000	37,710,000

The company has in issue 13,062,000 redeemable preference shares (2020 - 12,870,000). Interest is accruing on the A1 and B Preference Shares at the rate if LIBOR plus 4.5% and on the A2 Preference Shares at the rate of LIBOR plus 7.0%. The A1 and A2 Preference Shares, 12,612,000 in total (2020 - 12,420,000), attract a premium on redemption calculated as twice the issue price and this future cost is shown as a capital redistribution. The redeemable preference shares can only be redeemed if the Company has profits available for distribution and sufficient cash resource to fund the redemption.

9 ISSUED CAPITAL

Shares classified as equity

Authorised, allotted, called up and fully paid	**2021**	**2020**
	£	£
76,000 A Ordinary shares of £1 each - GFAL Limited	-	76,000
38,000 B Ordinary shares of £1 each - Kilbridge Holdings Limited	-	38,000
38,000 C Ordinary shares of £1 each - Penk Limited	-	38,000
38,000 D Ordinary shares of £1 each - P Monckton	-	38,000
170,000 A Ordinary shares of £1 each - West Midlands Holdings II Limited	170,000	-
85,000 B Ordinary shares of £1 each - West Midlands Holdings II Limited	85,000	-
85,000 C Ordinary shares of £1 each - West Midlands Holdings II Limited	85,000	-
85,000 D Ordinary shares of £1 each - West Midlands Holdings II Limited	85,000	-
	425,000	190,000

The shares rank equally in respect of voting, entitlement to dividends and rights on winding up.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

10 OTHER RESERVES

	2021	2020
	£	£
Capital distribution	25,224,000	24,840,000
	25,224,000	24,840,000

The negative reserve represents the difference between the issue price and redemption value of the redeemable preference shares. See note 8.

11 PARTICULARS OF EMPLOYEES

There were no employees of the Company for the current or preceding year. No fees or other emoluments were paid to Directors of the Company during either the current year or the preceding year in respect of their services to the Company.

12 INCOME TAXES

The Company is subject to UK Corporation Tax at a rate of 19.00% (2020 - 19%). The Company's tax charge for the year consists of the following amounts:

	2021	2020
	£	£
Current income tax	-	-
Total tax for the period	-	-

	2021	2020
	£	£
Loss before income tax	(1,816,141)	(1,605,231)
Income tax recovery at 19.00% (2020 - 19%)	(345,067)	(304,994)
Effects of:		
Taxation relief carried forward	-	277,251
Disallowable costs	312,468	27,743
Deferred tax asset not recognised	32,599	-
Total tax charge for the year	-	-

13 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including foreign exchange risk, cash flow and interest rate risk and other price risk).

The financial risks relate to the following financial instruments: trade and other receivables, cash and cash equivalents, trade and other payables, and borrowings. The accounting policies with respect to these financial instruments are described in note 2. The Company's risk management policies employed to manage these risks are discussed below.

(a) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, trade and other receivables, and the availability of funding through an adequate amount of committed credit bank facilities. The risk is monitored quarterly by the Directors. The Company receives income quarterly from its property investment. Distributions to the Shareholder are only made on available income that is income accrued in the distribution period and after a deduction for expenses that relate to the distribution period.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

13 FINANCIAL RISK MANAGEMENT (continued)

A summary table with maturity of financial assets and liabilities presented below is used by key management personnel to manage liquidity risks:

At 31 December	up to 1 year £	1 to 2 years £	3 to 5 years £	Total £
Financial Assets				
Trade and other receivables	67,552	-	-	67,552
Cash and cash equivalents	347,994	-	-	347,994
Total	**415,546**	**-**	**-**	**415,546**

	up to 1 year £	1 to 2 years £	3 to 5 years £	Total £
Financial Liabilities				
Borrowings	16,607,642	-	-	16,607,642
Preference Shares	-	-	13,062,000	13,062,000
Interest on borrowings	167,195	-	-	167,195
Interest on preference shares	2,903,448	-	-	2,903,448
Trade and other payables	420,224	-	-	420,224
Total	**20,098,509**	**-**	**13,062,000**	**33,160,509**

(b) Credit risk

Credit risk is the risk that a counterparty will be unable to meet a commitment that it has been entered into with the Company.
The table below outlines the maximum exposure to credit risk in the Company.

	2021 £	2020 £
Trade and other receivables	67,552	237,888
Cash and cash equivalents	347,993	29,096
	415,545	**266,984**

The Company's cash balances are held with the following entity and the Directors monitor the credit rating of this entity on an ongoing basis.

	2021 £	2020 £
HSBC Bank Plc (Credit rating: A1)	347,993	29,096

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2021

14 FINANCIAL RISK MANAGEMENT (continued)

(c) Market risk
The Company's exposure to market risk is comprised of the following risks:
(i) Foreign Exchange risk
As at 31 December 2021, the Company was not exposed to material foreign exchange risk, as the majority of the Company's transactions are in Pound Sterling which is the Company's functional and presentation currency. It is also the Company's policy not to enter into any currency hedging transactions.
(ii) Cash flow and fair value interest rate risk
As the Company's interest bearing assets do not generate significant amounts of interest, changes in market interest rates do not have any significant direct effect on the Company's income. The Company is exposed to fair value interest rate risk on the preference shares. The borrowings are at a fixed interest rate. Any change in the market rates might impact the fair value gain or loss recognised in other comprehensive income and profit or loss retrospectively. The impact of such changes is not expected to be significant to the Company.
(iii) Other price risk
The Company has no significant exposure to price risk as it does not hold any equity or securities or commodities.

(d) Capital risk management
The Company aims to deliver these objectives by aiming to achieve consistent returns from its assets, maintaining sufficient liquidity to meet the expenses of the Company and monitoring the lending to achieve the most effective cost of capital.

15 ULTIMATE CONTROLLING PARTY

The Company's immediate parent undertaking is West Midlands Holdings II Limited, a company in which OMERS Administration Corporation ("OMERS") has a controlling beneficial interest. OMERS is the ultimate parent undertaking of the largest Company of undertakings to consolidate these financial statements at 31 December 2021. OMERS is a corporation without share capital, continued under the Ontario Municipal Employees Retirement System Act, 2006. The consolidated financial statements of OMERS are available from 900-100 Adelaide Street West, Toronto, Ontario, M5H 0E2, Canada.

16 RELATED PARTY TRANSACTIONS

During the year, the Company incurred £12,000 in respect of accounting fees paid to Oxford Properties Management (UK) Limited, a company in which OMERS Administration Corporation, the beneficial owner of West Midlands Holdings II Limited, has a beneficial interest. £nil is outstanding at the year end.

A J Lambert (appointed 7 July 2021, resigned 1 October 2022), J A Boadle (appointed 7 July 2021), A M Hodgetts (appointed 10 June 2021) and R J Everall (appointed 6 October 2022) are Directors of the Company and are employees of Oxford Properties Management (UK) Limited, a related party.

In addition, the Company had other related party transactions during the year relating to the shareholder loans as disclosed in Note 6.

As at 31 December 2021, the Company had no employees other than the Directors, all of whom did not receive remuneration during the current year. The Directors are considered to be the key management personnel of the Company.

17 EVENTS AFTER THE REPORTING PERIOD

Since 31 December 2021 the Company has exercised seven more land options for £11.9m.
Two land options are yet to be exercised.