Registered number: SC001376

# MARCHINGTON PROPERTIES LIMITED

## DIRECTORS' REPORT AND FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2019

**MARCHINGTON PROPERTIES LIMITED**

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | R M Evans<br>P T Millington (resigned 1 July 2019)<br>A M Syers<br>J O Pitt (appointed 1 September 2019) |
| **Company secretary** | R Marshall |
| **Registered number** | SC001376 |
| **Registered office** | Exchange Tower<br>19 Canning Street<br>Edinburgh<br>EH3 8EH |
| **Independent auditor** | Grant Thornton UK LLP<br>Chartered Accountants & Statutory Auditor<br>No 1 Whitehall Riverside<br>Whitehall Road<br>Leeds<br>West Yorkshire<br>LS1 4BN |
| **Bankers** | Royal Bank of Scotland Plc<br>27 Park Row<br>Leeds<br>LS1 5QB |

MARCHINGTON PROPERTIES LIMITED

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## DIRECTORS' REPORT
## FOR THE YEAR ENDED 31 MARCH 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

**Directors**

The directors who served during the year were:

R M Evans
P T Millington (resigned 1 July 2019)
A M Syers
J O Pitt (appointed 1 September 2019)

**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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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;
- 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 loss for the year, after taxation, amounted to £311,459 *(2018 - profit £307,392)*.

There were no dividends declared or paid in the year *(2018: £Nil)*.

**Qualifying third party indemnity provisions**

All directors benefited from qualifying indemnity insurance policies in place during the financial year.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Disclosure of information to auditor**

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditor**

The auditor, Grant Thornton UK 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 30 September 2019 and signed on its behalf.

**R Marshall**
Secretary

![Grant Thornton]

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCHINGTON PROPERTIES LIMITED**

## Opinion

We have audited the financial statements of Marchington Properties Limited (the 'Company') for the year ended 31 March 2019, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

Grant Thornton

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARCHINGTON PROPERTIES LIMITED (CONTINUED)

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the 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.

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

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

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

**Responsibilities of directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

**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.

Grant Thornton UK LLP

Richard Woodward BA FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

30 September 2019

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 MARCH 2019

| | 2019<br>£ | *2018*<br>*£* |
|---|---|---|
| Turnover | **268,281** | *242,272* |
| Cost of sales | **(52,858)** | *(76,426)* |
| **Gross profit** | **215,423** | *165,846* |
| Administrative expenses | **(226,640)** | *(192,943)* |
| Other operating income | **(950)** | *8,125* |
| Fair value movement on investment properties | **(250,000)** | *368,932* |
| **Operating (loss)/profit** | **(262,167)** | *349,960* |
| Interest payable and expenses | **(42,767)** | *(36,252)* |
| **(Loss)/profit before tax** | **(304,934)** | *313,708* |
| Tax on (loss)/profit | **(6,525)** | *(6,316)* |
| **(Loss)/profit for the financial year** | **(311,459)** | *307,392* |
| **Other comprehensive income for the year** | | |
| **Total comprehensive income for the year** | **(311,459)** | *307,392* |

All amounts relate to continuing operations.

The notes on pages 9 to 16 form part of these financial statements.

## MARCHINGTON PROPERTIES LIMITED
## REGISTERED NUMBER:SC001376

## STATEMENT OF FINANCIAL POSITION
## AS AT 31 MARCH 2019

| | Note | | 2019 £ | | 2018 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Investment property | 6 | | **3,250,000** | | *3,500,000* |
| | | | **3,250,000** | | *3,500,000* |
| **Current assets** | | | | | |
| Debtors: amounts falling due within one year | 7 | **59,987** | | *44,217* | |
| | | **59,987** | | *44,217* | |
| Creditors: amounts falling due within one year | 8 | **(1,036,431)** | | *(965,727)* | |
| **Net current liabilities** | | | **(976,444)** | | *(921,510)* |
| **Total assets less current liabilities** | | | **2,273,556** | | *2,578,490* |
| **Provisions for liabilities** | | | | | |
| Deferred tax | 10 | **(16,738)** | | *(10,213)* | |
| | | | **(16,738)** | | *(10,213)* |
| **Net assets** | | | **2,256,818** | | *2,568,277* |
| **Capital and reserves** | | | | | |
| Called up share capital | 11 | | **250,000** | | *250,000* |
| Revaluation reserve | 12 | | **(391,979)** | | *(141,979)* |
| Profit and loss account | 12 | | **2,398,797** | | *2,460,256* |
| | | | **2,256,818** | | *2,568,277* |

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 and authorised for issue by the board and were signed on its behalf on 30 September 2019.

**R Marshall**
Director

The notes on pages 9 to 16 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 MARCH 2019

| | Called up share capital | Investment property Revaluation reserve | Profit and loss account | Total equity |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| At 1 April 2018 | 250,000 | (141,979) | 2,460,256 | 2,568,277 |
| **Comprehensive income for the year** | | | | |
| Loss for the year | - | - | (311,459) | (311,459) |
| **Other comprehensive income for the year** | - | - | - | - |
| **Total comprehensive income for the year** | - | - | (311,459) | (311,459) |
| Transfer to/from profit and loss account | - | (250,000) | 250,000 | - |
| **Total transactions with owners** | - | (250,000) | 250,000 | - |
| **At 31 March 2019** | 250,000 | (391,979) | 2,398,797 | 2,256,818 |

The notes on pages 9 to 16 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 MARCH 2018

| | Called up share capital | Investment property Revaluation reserve | Profit and loss account | Total equity |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| At 1 April 2017 | 250,000 | (510,911) | 2,521,796 | 2,260,885 |
| **Comprehensive income for the year** | | | | |
| Profit for the year | - | - | 307,392 | 307,392 |
| **Other comprehensive income for the year** | - | - | - | - |
| **Total comprehensive income for the year** | - | - | 307,392 | 307,392 |
| Transfer to/from profit and loss account | - | 368,932 | (368,932) | - |
| **Total transactions with owners** | - | 368,932 | (368,932) | - |
| **At 31 March 2018** | 250,000 | (141,979) | 2,460,256 | 2,568,277 |

The notes on pages 9 to 16 form part of these financial statements.

## 1. General information

Marchington Properties Limited is a private company, limited by shares, and is incorporated and domiciled in England and Wales. Registered number SC001376. Its registered head office is located at Exchange Tower, 19 Canning Street, Edinburgh, EH3 8EH.

The principal activity of the Company during the year was that of property investment and development.

## 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 Section 1A of 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 following principal accounting policies have been applied:

### 2.2 Going concern

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The Company is dependent on funds provided to it by its shareholders, who have provided the Company with an undertaking that for the foreseeable future they will continue to make available such funds and other assistance as is needed by the Company and, in particular, will not seek repayment of the amounts currently made available. This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

As with any company placing reliance on other entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

### 2.3 Revenue

The Company recognises revenue on an accruals basis, when the amount of revenue can be reliably measured and it is probable that the future economic benefits will flow to the Company. Revenue comprises rental income, service charge income and other recoveries. Service charge income includes income in relation to service charges together with any chargeable management fees.

Rental income including fixed rental uplifts, from investment property leased out under an operating lease is recognised in the Statement of Comprehensive Income on a straight-line basis over the term of the lease. Lease incentives being offered to occupiers to enter into a lease, such as an initial rent-free period or a cash contribution to fit-out or similar costs, are an integral part of the net consideration for the use of the property and are therefore recognised on the same straight-line basis. Service charge income is recognised in the period in which it is earned.

Proceeds from the sale of stock properties are recognised within the revenue when the significant risks and rewards of ownership have been transferred to the buyer. This generally occurs on unconditional exchange or on completion.

## 2. Accounting policies (continued)

### 2.4 Investment property

Investment property is carried at fair value determined annually by external valuers and 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. These have been recognised above operating profit due to nature.

Investment properties are not depreciated in accordance with the generally accepted accounting principle set out in Section 16 of FRS 102. The directors consider that, because these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view and that it is necessary to adopt Section 16 of FRS 102 in order to give a true and fair view.

### 2.5 Debtors

Debtors falling due within one year are measured at transaction price, less any impairment.

### 2.6 Financial instruments

**Financial assets**

Basic financial assets, including trade and other debtors are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit or loss for the period.

**Financial liabilities**

Basic financial liabilities, including amounts owed to group companies, accruals and other payables are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Payables are obligations to pay for goods or services that have been acquired in the ordinary course of business. Payables are classified as current liabilities if the payment is due within one year. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

### 2.7 Creditors

Short term creditors are measured at the transaction price.

## 2. Accounting policies (continued)

### 2.8 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.9 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 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:

- 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 reporting date.

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

The preparation of financial statements in accordance with FRS 102 requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas where the Company considers the judgements to be most significant involve assumptions or estimates in respect of future events, where actual results may differ from these estimates. These areas are as follows:

**Investment property valuation (note 6)**

The valuation of the investment property portfolio is inherently subjective due to, amongst other factors, the individual nature of each property, its location, and the expected future rental revenues of that particular property. As a result, the valuations the Company places on its investment property portfolio are subject to a degree of uncertainty and are made on the basis of assumptions which may not prove to be accurate, particular in periods of volatility or low transaction flow in the market.

The investment property valuation contains a number of assumptions upon which the Company's valuers have based their valuation of the Company's Investment properties as at 31 March 2019. The assumptions on which the property valuation reports have been based include, but are not limited to, matters such as the tenure and tenancy details for the properties, ground conditions at the properties, the structural condition of the properties, prevailing market yields, and comparable market transactions. These assumptions are market standard and accord with the Royal Institution of Chartered Surveyors (RIGS) Valuation — Global Standards 2017.

**Deferred tax (note 10)**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying value amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured On a non-discounted basis.

Deferred tax is calculated at the tax rate that is expected to apply in the period when the liability is settled or asset realised.

## 4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £ *(2018 - )*.

## 5. Employees

The Company has no employees other than the directors, who did not receive any remuneration *(2018 - £NIL)*.

## 6. Investment property

| | Freehold investment property £ |
|---|---|
| **Valuation** | |
| At 1 April 2018 | **3,500,000** |
| Deficit on revaluation | **(250,000)** |
| **At 31 March 2019** | **3,250,000** |

The 2019 valuations were made by Jones Lang LaSalle Limited, Chartered Surveyors and International Property Consultants, on an open market value for existing use basis.

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

| | **2019** £ | *2018* £ |
|---|---|---|
| Historic cost | **4,641,979** | *4,610,911* |
| Additions | **-** | *31,068* |
| | **4,641,979** | *4,641,979* |

## 7. Debtors

| | 2019 £ | 2018 £ |
|---|---|---|
| Trade debtors | 36,293 | 26,396 |
| Other debtors | 8,700 | 8,700 |
| Prepayments and accrued income | 14,994 | 9,121 |
| | 59,987 | 44,217 |

## 8. Creditors: Amounts falling due within one year

| | 2019 £ | 2018 £ |
|---|---|---|
| Trade creditors | 14,893 | 27,149 |
| Amounts owed to group undertakings | 679,769 | 602,221 |
| Other taxation and social security | 15,775 | 20,236 |
| Accruals and deferred income | 325,994 | 316,121 |
| | 1,036,431 | 965,727 |

## 9. Financial instruments

| | 2019 £ | 2018 £ |
|---|---|---|
| **Financial assets measured at amortised cost** | | |
| Trade debtors | 36,293 | 26,396 |
| **Financial liabilities measured at amortised cost** | | |
| Trade creditors | (14,893) | (27,149) |
| Amounts owed to group companies | (679,769) | (602,221) |
| Accruals | (229,293) | (197,143) |
| | (923,955) | (826,513) |

## 10. Deferred taxation

| | 2019 £ |
|---|---|
| At beginning of year | (10,213) |
| Charged to profit or loss | (6,525) |
| **At end of year** | **(16,738)** |

The provision for deferred taxation is made up as follows:

| | 2019 £ | *2018 £* |
|---|---|---|
| Accelerated capital allowances | **(16,738)** | *(10,213)* |

## 11. Share capital

| | 2019 £ | *2018 £* |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 250,000 *(2018 - 250,000)* Ordinary shares of £1.00 each | **250,000** | *250,000* |

## 12. Reserves

**Investment property revaluation reserve**

Comprises unrealised surpluses or deficits on the revaluation of investments in investment properties.

**Profit and loss account**

Includes all current and prior period retained profits and losses.

## 13. Contingent liabilities

There is a charge over certain properties of the Company to secure certain borrowings of the parent company.

The Company has given multilateral guarantees in relation to bank loans and overdrafts on behalf of its parent company and certain fellow subsidiary undertakings. At 31 March 2019, this guarantee amounted to £158m *(2018: £214m)*.

## 14. Related party transactions

As the company is a wholly owned subsidiary of Drachs Investments No.3 Limited, the company has taken advantage of the exemption available in section 33.1a of FRS102 not to disclose transactions or balances with wholly owned subsidiaries which form part of the group.

## 15. Ultimate controlling party

The ultimate holding company is Drachs Investments No.3 Limited, a company incorporated in Jersey and the largest and smallest group for which consolidated financial statements are prepared.

Drachs Investments No.3 Limited is owned by a trust for the benefit of the Evans family. The trust is a discretionary trust, administered by Sanne Group plc, to which the beneficiaries have no express entitlement and as such the directors are of the opinion that there is no ultimate controlling party.

The immediate parent company is Evans Management Limited.