

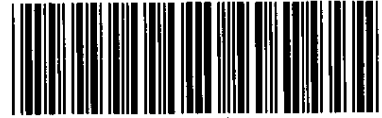
DON'T
STAPLE**OS AA01**Statement of details of parent law and other
information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form for
an alteration of name
with accounting requirements.

MONDAY



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26/09/2022

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COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

Bailey Acquisitions Limited

UK establishment
number

B R 0 1 8 9 0 3

→ **Filling in this form**Please complete in typescript or in
bold black capitals.All fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state.**Part 2 Statement of details of parent law and other
information for an overseas company****A1 Legislation**Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

Companies (Jersey) Law 1991

② This means the relevant rules or
legislation which regulates the
preparation of accounts.**A2 Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No.** Go to **Section A3.**☒ **Yes.** Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3.**③ Please insert the name of the
appropriate accounting organisation
or body.Name of organisation
or body ③

UK Accounting Standards incl. FRS101 R.D.F.

OS AA01

Statement of details of parent law and other information for an overseas company


A3

Audited accounts

Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input checked="" type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>	<p>❶ Please insert the name of the appropriate accounting organisation or body.</p>
Name of organisation or body ❶	International Standards on Auditing (UK)	

Part 3

Signature

I am signing this form on behalf of the overseas company.		
Signature	<p>Signature</p> <p>X  X</p>	
This form may be signed by: Director, Secretary , Permanent representative.		

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	The Company Secretary
Company name	Quintain Services Limited
Address	180 Great Portland Street
Post town	London
County/Region	
Postcode	W I W 5 Q Z
Country	The United Kingdom
DX	
Telephone	020 3219 2200



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

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Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

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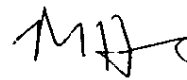
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Bailey Acquisitions Limited results for the year ended 31 December 2021

Bailey Acquisitions Limited
Report and financial statements for the year ended 31 December 2021
Company number: 119100
UK Establishment number: BR018903

08 SEPTEMBER 2022

Certified True Copy



DIRECTOR

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Strategic review

Bailey Acquisitions Limited ('Bailey' or the 'Company') is the sole shareholder of Quintain Limited ('Quintain'), the developer behind the transformation of Wembley Park in north west London. Quintain is a vertically integrated property company specialising in development, mixed-use asset management and Build to Rent (BtR). Quintain acquired its interest in Wembley Park in 2002, and at the year-end, the site comprised The SSE Arena, Wembley (Arena), London Designer Outlet, Brent Civic Centre, Troubadour Wembley Park Theatre (Troubadour), Boxpark Wembley, a range of independent retailers as well as 4,780 new homes across Wembley Park (of which 3,255 homes were under Quintain Living management). At the year-end, 396 homes were under construction at Repton Gardens, Quintain Living's tenth development due to reach practical completion in December 2022. Planning consent is pending or has been granted for a further 3,300 homes.

Having established a subsidiary in Ireland during 2019, Quintain continued with plans to develop more than 9,000 homes and 600,000 square feet of commercial space in the Greater Dublin area. The business is trading as Quintain Developments Ireland Limited ('Quintain Ireland') and will be responsible for the residential development of over 460 acres of prime assets in Ireland.

Quintain is the Company's sole directly held subsidiary, and all activities are channelled through Quintain and its subsidiaries and joint ventures. Bailey, Quintain and its subsidiaries are collectively referred to as the 'Group'.

Strategic priorities

The Group's main ambition remains the transformation of 85 acres of former event land at Wembley Park into a thriving new mixed-use neighbourhood for London with a landmark Build to Rent ('BtR') led scheme of over 8,500 homes, 6,044 of which will be retained and managed as BtR. The scheme is highly innovative in terms of design, ambition, scale, size, pace, quantum and financing. Whilst Wembley Park remains the major focus, the Group is also actively investigating further opportunities to utilise its unique and vertically integrated skillset, of which Quintain Ireland is the first project to be established.

The strategic priorities, and the approach the Group has taken to achieve them, are drawn together through six key business drivers:

- Deliver Wembley Park buildings on time and on budget, with the aim of major construction projects being completed by 2028;
- Maximise net rent and other income across the Wembley Park estate;
- Create a great place that is relevant, distinctive and attractive for everyone who lives, works and visits Wembley Park;
- Finance the business efficiently, using optimum debt/equity and maximising non-core receipts as well as the equity return/value of Wembley Park and Quintain;
- Develop and invest in Quintain Living to create a market-leading UK BtR platform;
- Selectively pursue financially compelling new business opportunities which play to Quintain's strengths in BtR, development and regeneration.

Wembley Park Masterplan

The total number of homes at Wembley Park will ultimately stand at over 8,500, a third of which will be classed as Affordable. This represents nearly 50% of the London Borough of Brent's ten-year target for new homes delivery. With 633,000 sq ft of new Grade A offices and retail as well as start-up workspaces, it will also create the opportunity for more than 8,640 new jobs.

New outdoor spaces will transform the way people enjoy Wembley Park, both on event days and every day, with an upgrade to the famous Olympic Way and a new seven-acre park, equivalent in size to four Wembley football pitches. With new multi-use games areas and a lake, the aim is to create a new urban green space for relaxation and play at the heart of this vibrant new north London district.

The redevelopment is providing £140million of investment into new community infrastructure across Wembley and Brent including a new primary school and nursery, a new GP surgery and community meeting spaces.

Quintain Ireland

Quintain Ireland is responsible for the development of 460 acres of prime assets in Ireland at Adamstown, Clonburris, Portmarnock and Cherrywood. All these assets are owned by affiliates of Lone Star Funds (Bailey's ultimate shareholder) and will be managed directly by Quintain. The business launched in 2019 with an experienced staff focused solely on Ireland, jointly led by directors, Eddie Byrne and Michael Hynes and has now grown to 35 people. The team manages a range of local construction partners and is fully integrated with the wider Quintain team.

Quintain Ireland will be resourced to replicate in Ireland the parent company's strong record of delivery in London. The size of the portfolio and target to develop over 9,000 homes makes Quintain Ireland the third largest residential developer in the country.

During the reporting year Quintain Ireland announced that construction had commenced to create 'the heart of Adamstown' with the first phase to develop 279 homes and retail space as well as a two-acre village green. Planning approval was given for 235 new homes in Aderrig, construction started on 245 homes in Tandy's Lane and the sale of 237 homes in Somerton phase 2 commenced in June.

In March 2021, Quintain Ireland started construction on 304 new homes in Cherrywood.

Business review

The Group has a clear business plan, objectives and an agreed strategy and there have been a number of major events and milestones achieved in the period to December 2021 which have contributed significantly towards achieving those objectives:

- During the reporting period, Quintain Living saw over record 1,700 move-ins at Wembley Park, this equates to more than 3,400 new residents.
- For assets operating throughout the year, Quintain Living drove a 2.6% increase in rental yields and within the buildings that had stabilised before the COVID-19 pandemic, the company achieved 6.5%.
- Average lease length at Quintain Living reached 23.4 months in December 2021.
- When COVID-19 restrictions eased, strong retail performances were shown in the London Designer Outlet centre ('LDO') and amongst other retailers at Wembley Park. New retailers included Amazon Fresh and Haute Dolci.
- The Group appointed a new Head of Sustainability, Clare Masters who took up the role in December 2021. Continuing our annual reporting to the Global Real Estate Sustainability Benchmark (GRESB) together with a publicly available report.

Sustainability

During the reporting period the Group's Sustainability Committee, chaired by our new Head of Sustainability, presented a series of objectives and reporting strategies to the Operational Board. The business also established a focus group led by Chief Executive, James Saunders to explore Equality, Diversity and Inclusion.

Only by measuring and understanding our impact on the environment, society and the wider economy, can we effectively evaluate our contribution, manage our business risks and identify opportunities to create lasting value for all.

We have a culture of continuous improvement supporting our business processes and initiatives that aim to reduce the environmental impact of our operations and those of our suppliers. These improvements also focus on socio-economic impacts and aim to support the communities in which we work, leaving lasting positive legacies. Our challenge at Quintain is to partner ambitious business targets and the growth of new neighbourhoods with reducing carbon emissions in line with a Net Zero Carbon Roadmap.

Our Sustainability Policy & Objectives outline our approach and sit within the wider suite of corporate policies that are already in place to ensure we deliver on the issues that are important to us and to our stakeholders.

Sustainability (continued)

Our areas of focus

Our environmental, social, economic and governance impacts are considered across our three pillars:

PEOPLE: We aim to put people first in everything we do. We recognise that we have a responsibility to leave a positive and lasting legacy on the people we work with, whether our own employees, our supply chain, or our local communities.

PLACE: We aspire to create inspiring, vibrant and thriving communities and neighbourhoods that are socially, culturally, environmentally and commercially sustainable.

PROPERTY: We endeavor to create sustainable buildings that are built to last and futureproofed to ensure they provide a high-quality, comfortable environment, now and in the future.

We have developed priority areas under each pillar and have defined objectives against which we can track our progress and report on performance.

Our Sustainability Committee meets regularly in order to ensure we focus on and address the sustainability issues that are central to our business activities, providing feedback on performance and recommendations on a quarterly basis to the Operational Board.

Underpinning our strategy is our approach to Good Governance. This ensures that the decisions we make are the right ones for the business and our stakeholders.

Our Commitments

To achieve our objectives, we will seek to:

- Go beyond compliance and minimum requirements;
- Provide leadership and seek to continuously improve;
- Be forward-thinking, innovating where required;
- Ensure our employees and other stakeholders are all aware of, and can contribute towards our goals;
- Work to influence impacts beyond our direct activity and engage in pro-active discussion with our business partners and suppliers;
- Identify Key Performance Indicators and set targets for performance in key areas;
- Measure and disclose our performance in a transparent way.

More detail on the Group's sustainability performance and objectives can be found in our 2021 Sustainability Report and our disclosure of Greenhouse Gas emissions performance can be found in our GHG Inventory document, both are available on the Group's website, www.quintain.co.uk.

Coronavirus (COVID-19)

COVID-19 has continued to impact the operating environment of the Quintain Group during 2021. Great resilience has been shown in dealing with the effects of the pandemic and the continued management of its market, operational and financial impacts in order to deliver the Group's business plans.

The further lifting of restrictions in the UK has allowed the Quintain Group to take the next step towards 'hybrid working' as the default arrangement for employees. Offices will remain the primary place to go when physical interaction with colleagues is required to collaborate and connect and a trial policy is in place.

Finance review

The year had continued challenges provided by COVID-19, to which the Group responded with the priorities of using flexibility and innovation to maintain leasing growth, continuing development where safe and financially prudent to do so and supporting our retail tenants to ensure that a vibrant Wembley Estate emerges from the pandemic.

In pursuing these objectives 1,405 (2020: 1,850) apartments were delivered, following the investment of £132.3m (2020: £184.3m) of capital expenditure during the year. In further optimising the Group's capital structure, financing agreements were signed with Investec for an office building and Bank of America for a BtR building.

1. Capital expenditure

Major progress was made at Wembley Park during the year with numerous developmental milestones reached, £132.3m of capital expenditure invested and 1,405 apartments were delivered.

2. Capital structure

During the year the Group entered into two new facilities of £38m and £49m with Investec and Bank of America respectively to refinance its existing facility of £99m with Cheyne for the Beton residential and Hive office buildings. These facilities represent further advances towards the Group's aim of establishing an optimised and well-balanced capital structure to continue funding its redevelopment of Wembley Park. It also illustrates the faith of existing lenders and the wider capital markets in Quintain's project at Wembley.

3. Results for the year

The Group reported a post-tax profit for the year of £174.7m (2020: post-tax loss for the year of £153.1m). The profit before tax was £212.2m (2020: loss before tax £174.4m).

A gross profit of £14.6m was recorded (2020: gross loss £5.2m) as the business continued to return to normal operations after the easing of restrictions as a result of the COVID-19 pandemic. A significant increase in BTR leasing activity took place during the year resulting in higher occupancy and revenues. In the year ended 31 December 2020, the business incurred one off costs of £7.3m relating to the short term pausing of construction on the NW09/10 plot during early stages of the Covid-19 pandemic and additional costs related to supporting its retail tenants.

Administrative expenses were £26.1m (2020: £26.7m) consistent with the increased salary expenditure to support business growth as experienced in 2020 along with a full year of the Group's Irish operations, which saw revenues increase to £10.3m (2020: £7.1m).

The Group incurred net finance expenses of £160.0m (2020: £128.1m) during the period, after capitalised interest of £12.9m (2020: £38.9m). This was as a result of increased levels of debt, the average rate of interest used for capitalisation was 5.9% in comparison to 7% in the previous year and that interest capitalisation was lower than the previous year as developments had completed.

A tax charge for the year of £37.5m (2020: credit £21.3m) was incurred largely by virtue of deferred tax on capital allowances and capital gains on investment properties.

Bailey Acquisitions Limited results for the year ended 31 December 2021

4. Valuation and Investment Assets

	2020	Additions ⁽¹⁾	Disposals	Valuation/ impairment	Other	2021
	£m	£m	£m	£m	£m	£m
Investment properties	2,285.0	145.2	-	381.9	-	2,812.1
Other non-current assets	11.9	0.8	-	0.2	(0.3)	12.6
	2,296.9	146.0	-	382.1	(0.3)	2,824.7

⁽¹⁾ Including capitalised interest

As at 31 December 2021, the valuation of the Group's properties (prior to adjustment for lease incentives) was £2,819.1m, an increase of £528.1m on the prior year. The increase in the current year has been driven by capital expenditure in line with the Group's business plan and the valuation uplift at year end.

Other non-current assets arose due to right-of-use asset additions in the year and a revaluation gain on the investments at fair value disclosed in note 4.1.

Key Performance Indicators

Bailey takes a long term view of performance and has adopted the following key performance indicators to reflect the priorities of the business:

Key Performance Indicator	2021	2020
Occupancy level ⁽¹⁾	65%	35%
Total portfolio value (£m) ⁽²⁾	2,819.1	2,291.0
Net external debt (£m) ⁽³⁾	1,511.8	1,371.9
Operating loss before revaluation surplus/(deficit) (£m) ⁽⁴⁾	(11.3)	(32.9)

(1) Occupancy level refers to Quintain Living units and is calculated based on the number of units that were physically occupied at year end.

(2) The total value of the Group's property portfolio was independently valued by Duff & Phelps LLC in accordance with RICS valuation standards.

(3) Net external is the total loans and borrowings of the Group excluding parent company loans.

(4) Operating loss excludes any non-current sales and revaluation.

Risk management

In addition to economic, security and regulatory risks that are part of the general commercial environment and faced by a wide range of companies, we consider there to be a number of financial and non-financial risks specific to the Quintain Group. In managing the business, the identification and monitoring of risk is crucial to enable the Group to deliver its strategic objectives.

How we manage risk

The Board has overall responsibility for managing risk and regularly reviews principal risks and uncertainties. Our approach has applied a consistent and robust methodology across the business to identify, assess, manage, mitigate and report risk from the bottom up, establishing clear ownership of risk management.

A risk register is maintained for each business area: Wembley Development, Finance and Transactions, Operations, and Quintain Living. The most significant risks are reported to the Board. This approach ensures that all risks are fully considered in determining the risk appetite and strategy of the business.

All risks are recorded in a risk register and assessed for impact (using financial and non-financial measures) and likelihood of occurrence on a gross (before controls), net (after controls) and target basis. Set out below is management's view of the current specific principal business risks and actions taken in mitigation.

Description and implication of risk	Mitigation
Development <p>The Group is exposed to risks associated with development projects. For example:</p> <ul style="list-style-type: none"> - Delays or failure to obtain planning consents in line with business plan. Planning constraints limit financial returns, operational effectiveness, use or tenure types. - Delays could occur for regulatory or funding reasons. - Counterparty risk: contractors may become bankrupt or insolvent, or development partners may fail to meet their obligations. Contractor capacity and resource availability issues lead to increased costs. - Construction inflationary pressure impacting project viability. - Rapidly evolving regulatory requirements relating to building safety and increased developer remediation obligations. - Control of construction phasing and costs are vital to prevent overspend or delay once contractors are on site. COVID-19 has provided significant health and safety challenges for the Construction industry, requiring thorough assessment of safe working conditions. - Other environmental and economic conditions changing occupier requirements for space, financial models and attitude to risk, and legislative changes such as embodied carbon reduction. 	<p>Quintain's planning and project management teams manage development risk by:</p> <ul style="list-style-type: none"> - Active engagement with the Greater London Authority, local authorities and other stakeholders in the UK and Ireland to ensure development proposals are in accordance with local policies and statutes and consents are secured for plots in a timely manner. - Transferring construction risk to contractors where possible and monitoring the financial health of contractors both before and during contract. - Ongoing monitoring of development progress against budget and schedule, including future capital expenditure relative to available capital. - Using a range of main contractors in order to diversify its supplier base and to introduce competition, but risk of capacity is secured and monitored through the Group's framework agreement. - The Group operates a robust Procurement policy, overseen by an experienced team. The main tool, SupplierPortal, is an online portal and database through which our suppliers are asked to submit their key policies in respect of environment, health and safety, labour, anti-bribery and corruption and IT security. Upon a successful transition through SupplierPortal each supplier is awarded the status of 'preferred supplier', renewable on a three year basis. - The Group provided a safe working environment on construction sites to enable work to continue through COVID lockdowns. In-house health and safety team ensures best practice procedures are implemented across the site through targeted audit and monitoring programmes. - Continued to monitor best practice guidance and liaised with industry bodies with regard to H&S, fire safety and emerging tax.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Description and implication of risk	Mitigation
<p>Market</p> <p>The Group's business is dependent on the macro-economic and property market conditions in London. Deterioration in residential property markets could lead to a decline in the value of the Group's property portfolio, tenant default and a reduction in income from these properties.</p> <p>COVID-19 has put particular stress on the Retail sector with numerous significant brands entering administration. New variants leading to new restrictions limiting event and animation activity would also impact footfall, retail sales and overall Wembley Park awareness.</p>	<p>Exposure to the residential property market has further increased this year due to the accelerated delivery of Wembley Park. The focus is providing homes for rent (under the Quintain Living brand) into a maturing Build to Rent market. If the rental market weakens the Group has the option to sell the units as private sales.</p> <p>The Group regularly reviews the product specification to ensure it is suitable for the market to obtain better yields. Revised retail shell specification issued to pre-construction team.</p> <p>Quintain has a strong focus on placemaking at Wembley Park to improve the attractiveness of the location. Quintain also integrates retail, hospitality and leisure into destination marketing and PR to accelerate perception change of the place, bring visitors to site and add value to on-site community.</p> <p>Delivery of an on-site digital campaign during the year promoting Essential Shops Open and Quintain's 'Always On' content strategy also highlighted Wembley Park's transformation/variety of offer, supporting retail re-opening (coinciding with the relaxing of COVID-19 restrictions). Also covered significant Wembley Park site events during 2021 such as the Stadium Steps launch and the Euros.</p> <p>The Group responded to the COVID-19 pandemic by embracing innovative leasing tools for its Quintain Living business including, Virtual Reality (VR) and self-guided tours. The Retail business put considerable effort in producing comprehensive support packages for tenants to ensure that a diverse and stable tenant base emerges from the pandemic.</p>
<p>Financial</p> <p>Changes in the availability of financing and/or costs of borrowing may adversely impact Quintain's ability to ensure sufficient liquidity is available to deliver the business plan.</p> <p>Need for strong lease up and lower reliance on retail and land to allow for continued efficient financing.</p> <p>Failure to assess impact of business decisions, new business activity and/or diversification of the Group's income sources could lead to reduced tax deductions for interest, and accelerating payment of taxes ahead of current forecasts.</p>	<p>Varied debt sources and maturities so that the event risk and counterparty risk is reduced.</p> <p>As at 31 December 2021, the Group has an intercompany loan agreement with its parent company, LSREF IV Bailey Topco Limited, which expires in 2022 with a 12-month extension option. Additionally the Group entered into new BTR facilities during the year with Investec and Bank of America. The Group successfully refinanced its Development facility with AIG and Wells Fargo and its Mezzanine facility with CPPIB, during 2020, which will expire in 2022, again with 12-month extensions in place. Homes England also agreed an increase in its corporate loan during the year.</p>

Bailey Acquisitions Limited results for the year ended 31 December 2021

Description and implication of risk	Mitigation
In an ongoing COVID environment and with inflation increasing, achieving the Gross to Net target could be impacted.	<p>The Company prepares detailed timely cash flow forecasts to monitor whether its committed capital expenditure, non-core sales and other outflows can be met from its sources of liquidity and to ensure these stay within approved limits and debt covenants.</p> <p>Quintain's financial modelling tool can forecast and test different business scenarios (including prospective transactions), analysing the impact on liquidity and headroom.</p>
Operational risks	
As the Home Office's international terrorism threat level increased from Substantial to Severe during Q4 2021, the Group has heightened exposure to external events that threaten or disrupt London's status as a premier destination, in particular Wembley Park.	Such events are often beyond Quintain's control and are an inherent risk in being focused on London. However, the Group has various security measures in place at Wembley Park and works closely with local authorities and police to maximise the safety of visitors. For example, the Group has fitted fixed Hostile Vehicle Mitigation (HVM) measures across Wembley Park, but also purchased temporary deployable systems.
Inability to deliver budgeted margins for Quintain Living as a result of cost inflation and inefficiency.	During Q1 2021 Quintain also contracted with the Metropolitan Police to provide a new detachment based on site at Wembley Park, delivering positive results for residents and visitors in reducing and deterring criminal behaviour on site.
Poor service levels at Quintain Living would cause reputational damage, increase voids and reduce gross revenue.	Quintain Living maintains strict cost control, uses good supplier relationships and seeks to benefit from economies of scale provided by critical mass at Wembley to maintain a low cost base and to mitigate unexpected cost fluctuations.
Cyber security is an ever increasing threat to business in terms of both volume and complexity.	Quintain Living seeks to respond to customer feedback and create a culture to exceed customer expectation. It offers industry standard training for all staff dependent on their role and function.
COVID-19 provided significant operational risks across the business with health and safety for employees, residents and tenants of crucial importance. COVID compliance across the company is required to ensure risk of disease spread is minimised, workplaces are COVID secure and staff/visitors/clients /customers are protected.	<p>Expanded digital marketing techniques to compensate for lack of outdoor media during the year and invested in VR tool improvements. Improvements made to website to include SEO landing pages as well as prominently displayed concession offers. Online leasing journey live and seeing strong results, improving each month. New App launched with over 80% of residents downloading and of those nearly 90% are engaging with the App.</p> <p>The Group has engaged market-leading experts in the field to ensure that its procedures and capabilities are robust. Company health and safety policies are regular checked, monitored and reviewed for any changes in compliance or regulation, with close monitoring of trade and industry bodies and government media regarding impending legal changes.</p>

Bailey Acquisitions Limited results for the year ended 31 December 2021

Description and implication of risk	Mitigation
<p>Lack of Technology maturity and redundancy, leading to business disruption due to accidental or malicious system loss.</p> <p>Lack of innovation leading to loss of efficiency, speed and market share due to inability to adapt products and business models to rapidly evolving UK BTR marketplace.</p>	<p>Quintain Living carried out thorough health and safety appraisals of its assets and working practices, ensuring that buildings continue to operate safely and securely. Operational Fire Safety steering group also set up to share best practice and ensure commonality and consistency.</p> <p>The IT Network Resilience programme, started in 2020, has now removed all single points of failure and critical vulnerabilities from the Wembley Park network. Quintain has received Wirescore Gold certification for the majority of its open buildings. Quintain was understood to be the only UK BTR operator to achieve Gold certification across its portfolio at that time.</p>
<p>Personnel</p> <p>The need to retain and develop staff and ensure that high calibre people are recruited is essential to the delivery of the business strategy.</p> <p>COVID-19 has required significant adjustments to working patterns and locations for staff as well as close monitoring of both physical and mental health levels.</p>	<p>Succession and resource planning is regularly reviewed by the Board as appropriate.</p> <p>Remuneration and benefits are considered competitive, strongly linked to performance and are regularly benchmarked with Quintain's peers.</p> <p>A new Learning and Development (L&D) strategy is in place ensuring that the Group has a strong L&D offering to motivate, develop and retain key employees.</p> <p>Regular formal staff meetings and informal events enable staff to talk to senior management, and weekly news updates on business developments and successes allow all employees to understand key activities around the Group. The Group's Social Committee helped to improve the coordination of Companywide social events when the lifting of pandemic restrictions allowed.</p> <p>Monitoring of headcount and turnover statistics and exit interviews with leavers, and the annual staff survey also enables management to monitor feedback and analyse both positive and negative trends to address employee concerns.</p> <p>An Equality, Diversity and Inclusion Committee was established to improve upon the Group's existing policies and practices to better place Quintain to recruit a diverse talent pool and to create more inclusive places.</p> <p>Implementation of a new Wellbeing strategy to ensure that the business understands and can respond to its employees' well-being needs and priorities. Mental health awareness training to be rolled out in Q1 2022.</p>
<p>Corporate Communications</p> <p>Reputational risk from misinformation printed or spoken about in the media.</p>	<p>Strategic control processes used help Quintain to understand its stakeholder expectations and create response and contingency plans.</p>

Bailey Acquisitions Limited results for the year ended 31 December 2021

Description and implication of risk	Mitigation
<p>Reputational risk from lack of preparation for crisis situations both to corporate reputation, reputation of place at its sites and to services offered in the UK and Ireland, which in turn would materially impact income.</p>	<p>Business Continuity Committee regularly meets to review the Business Continuity Plan and Crisis Communication procedures.</p> <p>Media training is undertaken by senior management, which is regularly reviewed. Company policies on behaviours around the media, key construction milestones and business news are made available to all employees.</p> <p>Communication strategies with key stakeholders are underpinned by resident meetings, webinars and written communications. Quintain's Communications team carefully balance the use of prepared communications in advance of any potential risk with the requirement for proactive comms after an event.</p> <p>Successful delivery of Stadium Steps launch programme.</p>
Brexit	
<p>Following the UK leaving the European Union, a great deal of uncertainty exists regarding future economic implications. The Group could be impacted in a number of areas but the most significant are viewed to be the following:</p> <p>A fall in demand for occupation of its apartments.</p> <p>Increased construction costs due to rising commodity prices and potential import tariffs.</p> <p>A reduction in the availability of labour for main contractors resulting in falling capacity.</p>	<p>Management continues to closely monitor developments post Brexit and consider the potential implications for the Group.</p> <p>The regeneration of Wembley Park continues apace, paired with concerted placemaking efforts. Strong attention to detail with regard to the product and innovation together with the structural shortage of housing in London leaves the Group well positioned to respond to any fluctuation in demand.</p> <p>Wherever possible Quintain seeks to secure fixed price contracts with its contractors and engages in competitive tendering processes in order to achieve best value for money. As at December 2021, fixed price contracts were in place for all active development projects.</p>
COVID-19	
<p>COVID-19 has had a significant impact on various aspects of the business, with specific challenges noted in the sections above.</p>	<p>The Group's primary focus is the health and wellbeing of its employees, residents and other stakeholders, and the continued operational readiness of the business, such that it can continue to deliver on its objectives. Whilst the Directors anticipate some short-term impacts will continue, they are confident that the Group's scale, quality, and strength of liquidity and balance sheet will allow it to meet any short-term challenges.</p> <p>As at the date of signing these financial statements the Directors continue to closely monitor the situation and stakeholder impacts. The Group's essential operations, including construction, have been able to continue despite disruption caused by COVID-19. The Directors have and will continue take all measures required to comply with Government guidance and adjusting operating practices accordingly.</p>

Sustainability and stakeholder engagement

We continue to voluntarily disclose our greenhouse gas emissions in accordance with the requirements of the SECR regulations. Our reporting procedures cover all emission categories defined in ISO 14064-1. The table below sets out the required information in accordance with SECR guidance, and further detail, including commentary on energy efficiency actions taken in the year and the methodology for producing the reporting can be found in our 2021 Sustainability Report and in our 2021 GHG Inventory which are available in the Sustainability section on our website, www.quintain.co.uk.

The 2021 and previous 2020 scope 1, 2 and 3 emissions within our GHG Inventory have been independently assured through a limited assurance engagement conducted in accordance with the International Standard on Assurance 3410 "Assurance Engagements on Greenhouse Gas Statements" ("ISAE 3410").

	2021	2020 (Restated)
Energy Consumption (kWh)	21,316,580	16,850,525
- Gas	8,970,977	6,544,007
- Transport Fuels	26,407	54,728
- Electricity	11,960,974	9,461,728
- Heat	358,222	790,062
TOTAL SCOPE 1 & 2 EMISSIONS (tCO₂e)	4,274	3,579
GHG EMISSION INTENSITY (kgCO₂e/m²)	16	16
Scope 1 Emissions (tCO₂e)	1,649	1,216
- Combustion of Gas	1,643	1,203
- Combustion of Transport Fuels	6	13
Scope 2 Emissions (tCO₂e)	2,625	2,363
- Purchased Electricity	2,540	2,206
- Purchased Heat	85	157
Scope 3 Emissions (tCO₂e)	139,292	102,587
Emissions from purchased goods	94,397	69,366
- Embodied Emissions (Life Cycle Stages A1 - A5)	93,157	68,667
- Fuel and Energy Related Emissions	1,240	699
Emissions from the disposal of solid and liquid waste	12	28
- Water	6	23
- Waste	6	5
Emissions or removals from the use stage of the product	28,353	20,900
Embodied Emissions (Life Cycle Stages B1 - B5)	28,353	20,900
Emissions from downstream leased assets	7,109	5,349
- Tenant Gas	580	489
- Tenant Electricity	3,166	2,708
- Tenant Heat	3,286	2,006
- Tenant Water	46	127
- Tenant Waste	31	19
Emissions from end of life stage of the product (tCO ₂ e)	9,421	6,944
Embodied Emissions (Life Cycle Stages C1 - C4) (tCO ₂ e)	9,421	6,944

* Whilst included in SECR requirements, we have not included Scope 3 emissions relating to reimbursed business mileage in our GHG Inventory. Due to our central London location, our reimbursed mileage total is small and has been scoped out of our GHG Inventory in accordance with the approach for determining materiality as set out in ISO 14064-1.

s172 Statement

Whilst the Company is not subject to UK company law, we have voluntarily included our compliance with the requirements of s172 of the Companies Act 2006. Below we set out our key stakeholder groups and how we engage with them. By understanding our stakeholders informed decisions can be made at Board level to ensure that mutually beneficial relationships can be fostered in accordance with s172 of the Companies Act 2006.

Stakeholder	What is important to them	How we address this
Commercial and Retail Occupiers	<ul style="list-style-type: none"> - Fair and convenient leases - Being supported by Quintain, particularly during poor trading conditions - Flexibility to navigate a changing use of office space - An enjoyable, convenient, safe, well-connected estate to work from 	<ul style="list-style-type: none"> - Commercial and Retail occupiers are offered fair leases, including turnover based rents for the Retail tenants. - Flexible floorspace leases and plug & play contracts for Commercial occupiers. - Professional management teams based on site to offer building support. - Quintain's Marketing and Events teams have a mandate to focus on world-class enlivenment of the estate with free events and cultural programming. - Curated retail offering across the estate, plus Amazon Fresh and Out of Office coffee shop at the bottom of The Hive office building. - Estate-wide Wi-Fi allowing employees to stay connected across Wembley Park. - Green spaces across site including dedicated dog runs and new three-acre park. - 24-hour estate-wide security cover and Health & Safety management including a dedicated police team.
Residential Occupiers	<ul style="list-style-type: none"> - Secure, flexible tenancies to support renters - Well-designed buildings and amenity spaces - An opportunity to live more comfortably and sustainably - A safe, world-class neighbourhood in which to live 	<p>Quintain Living</p> <ul style="list-style-type: none"> - Residential leases offered from six months to three years to give residents more control. - Lifestyle-led amenity spaces including dog runs, allotments and writing sheds. - A continual feedback loop from residents of current buildings informs the design of our future buildings and we remain flexible in our approach, recently retrofitting gyms into less favoured amenity spaces following feedback from residents. - Wellbeing is a key theme of our resident events programme. - Quintain's sustainability strategy in action includes providing residents with access to Envac, a system which sends waste and recycling underground to a collection site, from which nothing goes to landfill. We have a programme of communication to engage with residents to encourage more sustainable behaviour. To help our residents 'buy in' to our zero carbon journey, we educate them to help them understand their household consumption and set competitions to reduce energy use. - The dedicated and responsive Quintain Living Resident Team is available 24 hours a day.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Stakeholder	What is important to them	How we address this
		<p>Residents of other Wembley Park buildings owned by Quintain:</p> <ul style="list-style-type: none"> - A curated retail estate with 24-hour security cover, a police team, local-needs retail near each building, estate-wide WiFi, acres of public realm and green spaces, an annual programme of free cultural events. - Professional management teams.
Employees	<ul style="list-style-type: none"> - Competitive remuneration and contracted benefits - Opportunities for development - A shared sense of purpose and belonging - Sustainability, Diversity and Inclusion principles - A comfortable and safe workspace - Flexibility in working - The opportunity to make a difference 	<ul style="list-style-type: none"> - Salary benchmarking undertaken by the HR team. - Competitive benefits including health insurance and wellbeing support schemes, with packages regularly reviewed. - Supportive of flexible working. - A comprehensive development review process. - A shared set of Quintain Company Values: People-First, Creative, Pioneering, Sustainable, Proud, selected in consultation with staff on what matters to them. - Weekly internal newsletter and company intranet sharing successes from across the business and allowing staff to access useful information. - Social committee offers a programme of free staff events across the year. - Annual Christmas party and quarterly company-wide update meetings. - Sustainability Steering Group with members from across the business leading Quintain's approach to sustainability. Sustainability focussed objectives included in Personal Development Reviews. - An EDI Steering Group, Chaired by our CEO, with three staff networks: Pride Alliance, Gender Equality Network and Culture Club. - Inclusive parental leave policies. - Dedicated Health & Safety policies and annual desk assessments to ensure all staff have a suitable workspace. - Annual staff survey offered to employees, reporting on leadership, communication, culture, environment, benefits and communication. - Two full days of volunteering offered and a match funding scheme.
Local communities and environment	<p>Communities</p> <ul style="list-style-type: none"> - Being communicated to and forewarned of disruption - Quintain being a responsible neighbour - A well maintained, convenient, enjoyable estate <p>Environment</p> <ul style="list-style-type: none"> - It is important that Quintain minimises its effect on the environment and at all touchpoints. - 	<ul style="list-style-type: none"> - Our environmental, social, economic and governance impacts are considered across our three pillars: People, Place and Property. Further details can be found at https://www.quintain.co.uk/sustainability and our 2021 Sustainability Report at https://www.quintain.co.uk/~media/Files/Q/Quintain-V4/documents/Sustainability/2021%20Quintain%20Sustainability%20Report.pdf - Quintain's dedicated Sustainability Steering Group (SSG) is Chaired by our Head of Sustainability and guides our approach to environmental, social and governance issues. The

Bailey Acquisitions Limited results for the year ended 31 December 2021

Stakeholder	What is important to them	How we address this
		<p>SSG identify and review the short, medium and long-term issues that are affected by our business, ensuring we have the appropriate measures in place to carry out our activities responsibly and with integrity. The SSG meets fortnightly and reports into the Operational Board on a quarterly basis.</p> <ul style="list-style-type: none"> - We are members of the Considerate Constructors Scheme, striving for the highest possible standards of safety and reducing our impact on the neighbourhood. - Shared logistics hubs working across multiple live sites, serving to reduce vehicle movement, waste, and to increase cooperation between contractors. - Continual engagement with the local community includes webinars weekly site works updates. - The Yellow - a state of the art community events space - welcomed 2,232 people through its doors in 2021, and with 215 hours of free space hire for local organisations. - The Wembley Park Community Fund was set up in July 2017 to support a range of locally lead initiatives and has, since its inception, reached £388k. In 2021 there were 2,349 individuals that benefitted from the Fund. - Local volunteering is done across Brent by members of staff and the Community Engagement team has built strong links with numerous local schools, charities, and organisations. - World-class enlivenment of the estate with free events and cultural programming and a curated retail offering. - Annual reporting to the Global Real Estate Sustainability Benchmark (GRESB) in line with Quintain's ambition to continuously improve on ESG performance.
Suppliers	<ul style="list-style-type: none"> - Fair payment terms - Prompt settling of debt - Opportunities for business growth and knowledge sharing 	<ul style="list-style-type: none"> - We aim to build long term relationships with suppliers through prompt payment and our use of Supplier Portal, an external system which ensures regulatory compliance throughout our supply chain. - Through our membership of Build UK, we've had extensive dialogue with our contractors to ensure that payments are passed onto their supply chain swiftly. On average, all our framework contractors pay their supply chain within 32 days. Our own payment process is transparent and defined in detail. We pay contractors on the 28th of each month without fail, for works carried out in the previous month. Consultants are paid in the same way, based on a pre-agreed monthly cash flow which is regularly reviewed. - Our Contractor Framework creates an environment for collaboration and knowledge sharing. We have established working groups

Bailey Acquisitions Limited results for the year ended 31 December 2021

Stakeholder	What is important to them	How we address this
		across our supply chain, to support collective innovation. We share lessons learnt throughout our supply chain from previous schemes so that everyone benefits from the mistakes of the past or indeed innovations of others.
Local Stakeholders	<ul style="list-style-type: none"> - Ensure a collaborative relationship is built with our neighbours and business partners 	<ul style="list-style-type: none"> - The National Stadium is a close neighbour and a vital working relationship has been formed to ensure all legal and operational responsibility is upheld. - The Stadium and Arena bring millions of visitors to Wembley Park each year, our communication channels before, during and after each event are dedicated to visitor's enjoyment and safety. - Our dedicated estate team ensure that over night after any event the public realm is cleaned and prepared for our residents and visitors the next day. Our partners work with us to ensure all that can be recycled is, especially glass and single use plastic.
Government	<ul style="list-style-type: none"> - A collaborative and responsible approach - Transparency and compliance with regulation - Prompt response to changing Building Safety Guidance - Quintain championing the property industry and the growing Build to Rent sector 	<ul style="list-style-type: none"> - A constructive long-term relationship has been built with London Borough of Brent. Open dialogue is kept at all levels of both organisations. - We have been following the Building Safety Act closely and have external lawyers advising us on relevance to our business. We have delivered training to the business at board level and operational level on the impact of the BSA. - We are members of the British Property Federation (BPF) and many of our senior staff sit on their various operational boards feeding directly into the GLA and central Government to educate and champion the BTR industry. - Quintain engages legal and compliance specialists internally and externally to ensure on-going adherence to government regulation in the conduct of its business. All members of staff receive training on induction and during their employment on regulatory requirements relevant to the Quintain Group, which includes observance of regulatory reporting requirements.
Debt providers	<ul style="list-style-type: none"> - Financial performance meeting expectations - Openness and collaboration 	<ul style="list-style-type: none"> - Debt facilities have been arranged with a wide variety of organisations. Regular meetings, presentations and communication is kept with all debt providers.

Governance

Directors' Report

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

Strategic Report

Bailey Acquisitions Limited is a Jersey registered holding company for subsidiaries involved in transforming Wembley Park into London's most exciting mixed-use destination and newest residential neighbourhood in the UK.

The operational management and governance of the Group has been delegated by Bailey to its direct subsidiary Quintain Limited, a London-focused regeneration specialist registered in the UK.

The Group's Strategic Report for the year ended 31 December 2021 on pages 3 to 17 contains the following information, which is not included in this Report:

- the Strategic Review, including the Group's principal activities and future developments;
- the risks and uncertainties facing the business; and
- the Group's approach to sustainability and stakeholder engagement.

Ownership

Bailey is a wholly owned subsidiary of Quintain Bailey Holdings Limited, an investment vehicle indirectly controlled by LSREF IV Bailey Topco Limited.

Board of Directors

The directors and officers who served during the financial year and up to the date of signing the financial statements are as follows:

Timothy Beaulac (resigned 23 September 2021)

Dean Minter (appointed 22 January 2022)

Jan-Christoph Duedden (appointed 8 September 2021, resigned 26 January 2022)

James Riddell

James Saunders

Philip Slavin

Other Officers

Intertrust Real Estate Services (Jersey) Limited, Company Secretary

The appointment and replacement of directors is governed by the Companies (Jersey) Law 1991 and the Company's Memorandum and Articles of Association.

Board of Quintain

The directors and officers who served on the Board of Quintain during the financial period and up to the date of signing the financial statements are as follows:

Non-Executive Directors

Timothy Beaulac (resigned 23 September 2021)
 Dean Minter (appointed 22 January 2022)
 Jan-Christoph Duedden (appointed 8 September 2021, resigned 26 January 2022)
 Jérôme Foulon
 John Herbert
 Donald Quintin (resigned 23 September 2021)
 James Riddell, Chairman
 Greg Spezzano
 Ofer Yardeni

Executive Directors

James Saunders, Chief Executive
 Philip Slavin, Chief Financial Officer

Other Officers of Quintain

Frances Victoria Heazell, Company Secretary

The appointment and replacement of directors is governed by the Companies (Jersey) Law 1991 and the Company's Memorandum and Articles of Association.

Board Governance and Committees

The Group Audit, Nomination and Remuneration Committees operated in accordance with their revised terms of reference most recently updated and approved by the Board of Quintain in September 2017, as summarised on the Group's website. The Group Audit Committee continues to meet and review the Company's and the Group's consolidated financial statements, the external auditor's work and risk management actions and controls. Following the Board changes over the period, including the appointment of James Riddell as Chairman of the Board in September 2021, a number of changes have taken place in the membership of the Committees:

1 January 2021 to 23 September 2021:

Audit	Remuneration	Nomination
John Herbert (Chairman) Jérôme Foulon James Riddell	Timothy Beaulac (Chairman) James Riddell Greg Spezzano	John Herbert (Chairman) Jérôme Foulon James Riddell Timothy Beaulac

Bailey Acquisitions Limited results for the year ended 31 December 2021

From 23 September 2021 to 8 February 2022:

Audit	Remuneration	Nomination
John Herbert (Chairman) Jérôme Foulon Jan-Christoph Duedden	Jérôme Foulon (Chairman) Jan-Christoph Duedden Greg Spezzano	John Herbert (Chairman) Jan-Christoph Duedden Jérôme Foulon

With effect from 8 February 2022:

Audit	Remuneration	Nomination
John Herbert (Chairman) Jérôme Foulon Dean Minter	Jérôme Foulon (Chairman) Dean Minter Greg Spezzano	John Herbert (Chairman) Dean Minter Jérôme Foulon

In addition, the Board of Quintain approved Terms of Reference which set out matters requiring shareholder, Board or Executive Committee approval on behalf of the Group. The Board's Terms of Reference enables the effective day to day management of the Group's business whilst maintaining effective financial control and accountability to its shareholder.

Directors' Indemnity

The Company's Articles of Association provide that, to the extent permitted by law, directors may be indemnified out of the Company's assets against any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company. The directors have purchased and maintain insurance, at the expense of the Company and the Group, for the benefit of any relevant director in respect of any relevant loss.

Dividend

No dividend was proposed during the course of the period under review (2020: £nil).

Key contractual arrangements

The Group has a number of joint venture arrangements, as detailed in note 3.3 on page 44 of the financial statements.

Going concern

The Group financial statements have been prepared on a going concern basis, which assumes that the Group will *continue to meet its liabilities as they fall due, for at least twelve months from the date of approval of these financial statements*. Based on the analysis set out in note 1.3 of the financial statements, the directors believe it is appropriate to prepare the financial statements on a going concern basis.

Political donations

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year or previous year.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Auditor

Pursuant to Section 113(5) of Companies (Jersey) Law 1991, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in the office.

Statement of disclosure to auditor

The directors who held office at the date of approval of this directors' report confirm that:

- so far as he or she is aware, there is no relevant audit information of which the auditor is unaware; and
- each director has taken all steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Responsibility Statement

The directors' responsibilities for the financial statements contained within this Report are set out on page 22.

By order of the Board

DocuSigned by:
Philip Slavin
5800AFC218874A8...
Philip Slavin
Director
30 August 2022

Statement of Directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare Group financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance International Financial Reporting Standards as adopted by the EU and applicable law and have elected to prepare the Parent Company financial statements in accordance with UK Accounting Standards including FRS 101 *Reduced Disclosure Framework* and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group and Parent 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 estimates that are reasonable and prudent;
- for the Group and Parent Company financial statements, state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Parent Company or to cease operations, or have no realistic alternative but to do so.

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 Companies (Jersey) Law, 1991. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Bailey Acquisitions Limited

Opinion

We have audited the financial statements of Bailey Acquisitions Limited ("the company") for the year ended 31 December 2021 which comprise the consolidated and company statement of comprehensive income, consolidated and company balance sheet, consolidated and company statement of changes in equity and consolidated statement of cashflow and the related notes, including the accounting policies in notes 1 and 7.1.

In our opinion:

- the financial statements give a true and fair view, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs adopted by the EU) of the state of the group's affairs as at 31 December 2021 and of the profit for the year then ended; and
- the parent company financial statements have been properly prepared in accordance with UK accounting standards including FRS 101 Reduced disclosure framework; and
- the financial statements have been properly prepared in accordance with the Companies (Jersey) Law 1991.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group's and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the group's and the company's business model and analysed how those risks might affect the group's and the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group's or the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group and the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detectIdentifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatements due to fraud (fraud risks) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring with management as to group's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as investment property valuations. On this audit we do not believe there is a fraud risk related to revenue recognition because the group's income primarily arises from operating lease contracts with fixed, or highly predictable, periodic payments. We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation. These included those posted to unusual accounts;
- evaluating the business purpose of significant unusual transactions.

Our procedures to detect fraud in the investment property valuations included:

- the use of our specialist valuers to challenge the methods used in the valuation;
- obtaining both confirmatory and non-confirmatory evidence to assess of the key inputs into the valuations.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of litigation or impacts on the group's and company's ability to operate. We identified the following areas as those most likely to have such an effect: landlord and tenant legislation, property laws and building legislation and recognising the nature of group's and company's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- proper accounting records have not been kept by the company, or
- proper returns adequate for our audit have not been received from branches not visited by us; or
- the company's accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 22, the directors are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

Bailey Acquisitions Limited results for the year ended 31 December 2021

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.



Rajan Thakrar
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square, London
E14 5GL

31 August 2022

Bailey Acquisitions Limited results for the year ended 31 December 2021

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2021

	Notes	2021 £m	2020 £m
Revenue	2.1	67.6	50.6
Cost of sales	2.1	(53.0)	(55.8)
Gross profit/(loss)		14.6	(5.2)
Administrative expenses	2.2	(26.1)	(26.7)
Operating loss before recognition of results from joint ventures and associates, non-current asset sales and revaluation		(11.5)	(31.9)
Share of profit/(loss) from equity-accounted investees	3.3	0.2	(1.0)
Operating loss before non-current asset sales and revaluation		(11.3)	(32.9)
Profit on sale of non-current assets		1.6	1.4
Surplus/(deficit) on revaluation of investment properties	3.1	381.9	(14.8)
Operating profit/(loss)		372.2	(46.3)
Finance income	2.5	0.1	0.3
Finance costs	2.5	(160.1)	(128.4)
Profit/(loss) before taxation		212.2	(174.4)
Taxation	2.6	(37.5)	21.3
Profit/(loss) for the financial year		174.7	(153.1)
Other comprehensive income, net of taxation		-	-
Total comprehensive income/(loss) for the year		174.7	(153.1)

The notes on pages 31 to 52 are an integral part of these consolidated financial statements.

All the results shown are from continuing operations.

Bailey Acquisitions Limited results for the year ended 31 December 2021

**Consolidated Balance Sheet
As at 31 December 2021**

	Notes	2021 £m	2020 £m
Non-current assets			
Investment properties	3.1	2,812.1	2,285.0
Owner-occupied property, plant and equipment		4.6	6.3
Investment in equity-accounted investees	3.3	0.1	0.3
Other non-current assets	4.1	12.6	11.9
Total non-current assets		2,829.4	2,303.5
Current assets			
Trading properties	4.5	7.9	7.9
Trade and other receivables	4.2	46.4	46.4
Cash and cash equivalents	5.4	31.4	77.5
Current tax recoverable		2.7	-
Total current assets		88.4	131.8
Total assets		2,917.8	2,435.3
Current liabilities			
Trade and other payables	4.4	(68.8)	(66.7)
Bank loans and other borrowings	5.1	(2,061.8)	(99.2)
Current tax liability		-	(0.2)
Total current liabilities		(2,130.6)	(166.1)
Non-current liabilities			
Bank loans and other borrowings	5.1	(530.6)	(2,235.8)
Obligations under finance leases	2.8	(7.9)	(6.6)
Deferred tax liability	2.6	(40.7)	-
Total non-current liabilities		(579.2)	(2,242.4)
Total liabilities		(2,709.8)	(2,408.5)
Net assets		208.0	26.8
Equity			
Share capital	5.6	-	-
Share premium		1.0	1.0
Other reserve		396.0	389.5
Retained earnings		(189.0)	(363.7)
Equity shareholders' funds		208.0	26.8

The notes on pages 31 to 52 are an integral part of these consolidated financial statements.

Approved by the Board of Directors on 30 August 2022 and signed on its behalf by:

DocuSigned by:

 5060AFC216874AB
 Philip Slavin
 Director

Consolidated Statement of Changes in Equity
For the year ended 31 December 2021

Balance 1 January 2021
Profit for the year
Other comprehensive income for the year, net of tax
Total comprehensive income for the year
Fair value adjustment of parent company loan note
Balance as at 31 December 2021

Share capital	Share premium	Other reserve	Retained earnings	Equity shareholders' funds
£m	£m	£m	£m	£m
-	1.0	389.5	(363.7)	26.8
-	-	-	174.7	174.7
-	-	-	-	-
-	-	-	174.7	174.7
-	-	6.5	-	6.5
-	1.0	396.0	(189.0)	208.0

Balance 1 January 2020
Loss for the year
Other comprehensive income for the year, net of tax
Total comprehensive loss for the year
Fair value adjustment of parent company loan note
Balance as at 31 December 2020

Share capital	Share premium	Other reserve	Retained earnings	Equity shareholders' funds
£m	£m	£m	£m	£m
-	1.0	389.5	(210.6)	179.9
-	-	-	(153.1)	(153.1)
-	-	-	-	-
-	-	-	(153.1)	(153.1)
-	-	-	-	-
-	1.0	389.5	(363.7)	26.8

The notes on pages 31 to 52 are an integral part of these consolidated financial statements.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Consolidated Statement of Cash Flows
For the year ended 31 December 2021

	2021 £m	2020 £m
Operating activities		
Profit/(loss) for the financial year	174.7	(153.1)
Adjustments for:		
Depreciation of plant and equipment	1.7	1.9
Impairment of investments	(0.2)	-
Net finance expenses	160.0	128.1
Profit on sale of non-current assets	(1.6)	(1.4)
(Surplus)/deficit on revaluation of investment properties	(381.9)	14.8
Share of (profit)/ loss from equity-accounted investees	(0.2)	1.0
Tax charge/(credit)	37.5	(21.3)
	(10.0)	(30.0)
Increase in trade and other receivables	(2.0)	(1.3)
(Decrease)/increase in trade and other payables	(0.7)	6.8
Decrease in trading properties	-	1.8
Cash used in operations	(12.7)	(22.7)
Interest received	-	0.2
Net cashflow used in operating activities	(12.7)	(22.5)
Investing activities		
Proceeds from sale of investment properties	10.7	89.2
Purchase and development of investment properties	(125.8)	(200.0)
Purchase of owner-occupied property, plant and equipment	(1.6)	(2.1)
Net cashflow used in investing activities	(116.7)	(112.9)
Financing activities		
Proceeds from parent company loan	80.9	-
Proceeds from new borrowings	172.3	239.8
Payment of loan issue costs	(4.6)	(4.6)
Repayment of borrowings	(99.4)	-
Interest paid	(65.2)	(53.1)
Payments of lease liabilities	(0.7)	-
Net cashflow from financing activities	83.3	182.1
Net (decrease)/increase in cash and cash equivalents	(46.1)	46.7
Cash and cash equivalents at the start of year	77.5	30.8
Cash and cash equivalents at the end of year	31.4	77.5
Comprising:		
Cash at bank	31.4	77.5
Overdrafts	-	-
	31.4	77.5

The notes on pages 31 to 52 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

1.1 General information

Bailey Acquisitions Limited ('Bailey' or the 'Company') is a private limited company, incorporated, domiciled and registered in Jersey. The Company's registered office is 44 Esplanade, St Helier, Jersey, JE4 9WG.

Significant accounting policies

1.2 Basis of preparation

The consolidated financial statements are presented for the year ended 31 December 2021. The Board approved the financial statements on 30 August 2022. They have been prepared in accordance with International Financial Reporting Standards and Interpretations issued by the International Financial Reporting Interpretations Committee as adopted by the European Union (adopted 'IFRS') and those parts of the Companies (Jersey) Law 1991 applicable to companies reporting under IFRS. The consolidated financial statements are presented in Sterling and amounts have been presented in millions ('£m') and have been prepared on a historical cost basis except that investment properties have been stated at fair value.

1.3 Going concern

The Group financial statements have been prepared on a going concern basis, which assumes that the Group will continue to meet its liabilities as they fall due. To assess the Group's going concern, cash flows were modelled for a period of at least 12 months and stress and scenario tests were applied to the Group's base case business plan. The stresses applied included interest rate increases, refinancing proceeds and various reductions in operating cashflows.

The Group is financed through shareholder and external debt as set out in note 5.1 of the financial statements. The cash flow forecasts considered the ongoing financial obligations of those loans and the need to refinance in the future, together with the fact a parent company LSREF IV Bailey Topco Limited has provided the Group with an intention that for at least 12 months from the date of approval of these financial statements, it will continue to make equity commitments available as required by the Group.

As at 31 December 2021, 77% by value of the gross drawn external debt facilities were repayable within 24 months. Of this, 10% was successfully refinanced in June 2022 and a further 6% has the option to extend into 2024. This leaves the main corporate facility (representing 56% of gross external debt at 31 December 2021) which is due to expire in December 2022, with a 12-month extension option ('group development facility'), and two smaller BTR investment facilities which expire in April and December 2023. The extension of the group development facility is dependent on certain conditions which the Directors believe will be met based on the assessment performed at the date of approval of the financial statements.

As part of a sounding exercise in Q1 2022, we received indicative terms from investment banks, more traditional balance sheet lenders and insurance lenders, which strongly demonstrated the liquidity available to the Group. The BTR investment market is widely banked, providing significant refinance liquidity to address the required facility maturities. Strong appetite exists from "high street" investment banks and insurance lenders and the lender universe is well known to Quintain from previous financings. During the recent refinances for Beton and Robinson, which completed in December 2021 and June 2022 respectively, we received multiple sets of terms from lenders demonstrating very recent support for Wembley's stabilised investment assets

Given the ongoing financial obligations of the Group and as with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that the parent company 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. As a result, the Directors have concluded that the Group will continue in operational existence for the foreseeable future and for at least twelve months from the date of approval of these financial statements.

Notes to the consolidated financial statements (continued)**Significant accounting policies (continued)****1.4 Critical accounting estimates and judgements**

The preparation of financial statements in accordance with IFRS requires the Board to make judgements, estimates and assumptions that affect the application of accounting policies, the reported amounts of assets and liabilities as at the date of the financial statements and the reported amount of income and expenses during the reporting period. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements that are not readily apparent from other sources. However, the actual results may differ from these estimates. The key area where management has made significant estimates is the valuation of investment property on the balance sheet (see accounting policy note 1.11).

All estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the period in which the estimate is revised.

1.5 Basis of consolidation

The Group's financial statements consolidate those of the Company and its subsidiaries, together referred to as the Group, and equity account for the Group's interest in joint ventures and associates.

Subsidiaries are those entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The assessment of control is performed on a continuous basis. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date it ceases.

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in full.

The acquisition or disposal of shares in subsidiaries and interests in joint ventures, where investment properties constitute the only or main asset, are accounted for as property transactions unless the fair values attributed to other assets and liabilities within the entity differ from their carrying values.

1.6 Newly effective accounting standards**New and amended standards and interpretations effective in the current financial year**

The following standards, amendments and interpretations are effective for the first time in the year ended 31 December 2021.

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2

None of the standards above has had a material impact on the consolidated financial statements of the Group.

Standards and interpretations in issue but not yet effective

The relevant new and amended standards and interpretations that are issued but are not yet effective, up to the date of issuance of the Groups financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable when they become effective. The Group is still assessing the impact of these new or amended standards and interpretations on its financial reporting, however do not believe they will have a material impact on the Group's existing operations.

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies

Notes to the consolidated financial statements (continued)**Significant accounting policies (continued)****1.6 Newly effective accounting standards (continued)****Standards and interpretations in issue but not yet effective (continued)**

- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IFRS 3 Business Combinations; IAS 16 Property, Plant and Equipment; IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and Annual Improvements 2018-2020
- Onerous contracts – Costs of Fulfilling a contract (Amendments to IAS 37)

1.7 Revenue and cost of sales

Revenue comprises rental income, income from sale of trading properties, fees from asset and development management and other income.

Rental income from investment properties leased out under operating leases is recognised in the Consolidated Statement of Profit or Loss on a straight-line basis over the term of the lease. Contingent rents, which comprise rents linked to tenant turnover, are recognised as income in the periods in which they are earned. Rent reviews are recognised when such reviews have been agreed with tenants. Surrender premiums received are considered a component of rental income and are recognised over the remainder of the revised lease term. Directly attributable lease incentives are recognised as an integral part of the net consideration for use of the property and amortised on a straight-line basis over the term of lease, or the period to the first tenant break, if shorter, unless there is reasonable certainty that the break will not be exercised.

Where rent concessions meet the definition of a lease modification, the lease is accounted for as a new lease from the effective date of the modification and a rent concession debtor recognised and amortised on a straight-line basis over the remaining term of the lease, or the remaining period to the first tenant break, if shorter, unless there is reasonable certainty that the break will not be exercised.

Income from the sale of trading properties is recognised on the date of unconditional exchange or, where an exchange is conditional, on the date that conditions have been satisfied and where there is a confirmed date for completion.

Fees from asset and development management relate to base and performance fees receivable in respect of asset and development management together with property procurement fees. Performance fees are recognised when it is probable that performance criteria have been met. All other fees are recognised on a receivable basis.

Other income comprises commercialisation income, insurance commission, car parking receipts, property management fees and miscellaneous income and is recognised in the period in which the services are rendered and the performance obligations are satisfied.

Property operating costs are recognised on an accruals basis including any element of service charge expenditure not recovered from tenants.

1.8 Capitalised borrowing costs

Net borrowing costs in respect of capital expenditure on properties under development are capitalised. Interest is capitalised using the Group's weighted average cost of borrowing from the commencement of development work until the date of practical completion. Only external loans are included in the determination of the weighted average borrowing cost. The capitalisation of finance costs is suspended if there are prolonged periods when development activity is interrupted. Tax relief on applicable interest capitalised on investment properties is reflected in the Consolidated Statement of Profit or Loss. All other borrowing costs are recognised in the Consolidated Statement of Profit or Loss in the period in which they are incurred.

Notes to the consolidated financial statements (continued)**Significant accounting policies (continued)****1.9 Taxation**

Tax is recognised in the Consolidated Statement of Profit or Loss except to the extent that it relates to items recognised in Other Comprehensive Income, in which case the related tax is recognised under that heading. Current tax is the expected tax payable on the taxable income for the year using tax rates applicable at the reporting date.

Deferred tax is provided in respect of all temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for tax purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities at the relevant tax rates which have been enacted or substantively enacted at the balance sheet date and are expected to apply when the asset is realised or the liability is settled. For investment property that is measured at fair value, deferred tax is provided at the rate applicable to the sale of the property except for that part of the property that is depreciable and the company's business model is to consume substantially all of the value through use. In the latter case the tax rate applicable to income is used.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

1.10 Leases**Group as lessor**

Investment properties are leased to tenants under operating leases, with rental income recognised on a straight-line basis over the lease term. For more detail, refer to the revenue accounting policy.

Group as lessee

Leases in which the Group assumes substantially all of the risks and rewards of ownership of the leased asset are classified as finance leases. For leasehold properties that are classified as investment properties, the associated leasehold obligations are recognised as finance lease obligations.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is measured at cost and the Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implied in the lease.

1.11 Investment Property

Investment properties are properties owned or leased by the Group which are held either for long term rental growth or for capital appreciation or both. Investment property is initially recognised at cost including related transaction costs and subsequently at fair value. Any increase or decrease in value is taken directly to the Consolidated Statement of Profit or Loss in the period in which they arise.

For comparable periods for leasehold properties that are classified as investment properties, the associated leasehold obligations are accounted for as finance lease obligations. Properties held under operating leases are accounted for as investment properties as short leasehold properties where the other criteria for recognition are met. Such operating leases are accounted for as if they are finance leases.

The right of use asset for all leasehold property that meets the definition of investment property is accounted for as investment property under the fair value model.

Notes to the consolidated financial statements (continued)**Significant accounting policies (continued)****1.11 Investment Property (continued)****Property additions**

Additions to investment properties consist of costs of a capital nature and, in the case of investment properties under development, capitalised interest.

Property disposals

Disposals of investment properties are recognised in the financial statements on the date of unconditional exchange or, where an exchange is conditional, on the date that conditions have been satisfied.

Profits or losses arising on disposal are calculated by reference to the carrying value of the asset at the last revaluation, adjusted for subsequent capital expenditure, less selling costs and recognised in the Consolidated Statement of Profit or Loss.

Significant estimates and judgements

The fair value of the Group's investment properties is the main area within the financial statements where the Board has made significant estimates. The fair value of the Group's property portfolio is determined at each reporting date by Duff & Phelps LLC as independent third party specialists. Market value is defined as the estimated amount for which property should exchange on the date of valuation between willing buyer and seller in an arms length transaction without compulsion. The Group considers the use of professional external valuers, in accordance with RICS Valuation Standards in the United Kingdom, sufficient to reduce but not eliminate the uncertainty.

1.12 Investments in joint ventures and associates

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement here decisions about the relevant activities require the unanimous consent of the parties sharing joint control. A joint arrangement is recognized either through a joint operation or a joint venture.

A joint venture is a joint arrangement in which the Group has a long term interest and rights to the assets, and obligations for the liabilities relating to the arrangement.

An associate is an entity in which the Group, either directly or indirectly, has significant influence, but not control or joint control over the financial and operating policies of the entity.

Interests in joint ventures and associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the Group equity accounts for its share of net profit after tax of its joint ventures and associates through the Consolidated Statement of Profit or Loss or Other Comprehensive Income. The Group's interest in the net assets of joint ventures and associates is included in the Consolidated Statement of Financial Position.

Where an asset is transferred to an existing joint venture or the Group disposes of an interest in a subsidiary to a joint venture, the Group recognises a share of the profit equivalent to the interest it has sold to an external party. All such transactions occur at fair value.

Notes to the consolidated financial statements (continued)**Significant accounting policies (continued)****1.13 Financial instruments****Financial assets**

Financial assets include trade and other receivables, loans and cash and cash equivalents.

Trade and other receivables are initially recognised at their fair value plus transaction costs and are subsequently measured at amortised cost less allowance for credit losses/impairment of bad debts. The loss allowance is measured at an amount equal to lifetime expected credit losses (ECLs), which are those losses that are expected to occur over the expected life of the receivables. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

The Group applies the simplified approach in calculating expected credit losses and recognises a provision for impairment for the lifetime expected credit losses on initial recognition of a receivable. In determining the expected credit loss, the Group considers any recent payment behaviour and future expectations of likely default events based on receivables into aged groupings and trends in the wider macro-economic environment in which the tenants operate. The movement in the provision is recognised in the statement of comprehensive income.

Loans and receivables are initially recognised at their fair value plus transaction costs and are subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents comprise of cash at bank and in hand and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash from the asset have expired or the Group has transferred its rights to receive the cash flows from the asset.

Financial liabilities

Financial liabilities include trade and other payables and borrowings.

Non-derivative trade and other payables are non-interest bearing, initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method.

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Borrowings are subsequently measured at amortised cost with any difference between the amount initially recognised and the redemption value being recognised in the Consolidated Statement of Profit or Loss over the period of the borrowings on an effective interest rate basis.

Derecognition

A financial liability is derecognised when the Groups obligations are discharged, cancelled or expire.

1.14 Trading properties

Trading properties are properties acquired or developed and held for sale and are measured at the lower of cost or net realisable value. The cost of trading properties are those costs directly associated with the acquisition and development of a specific site. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs to completion and the estimated costs necessary to make the sale.

Sales of trading properties are recognised on the date of unconditional exchange or where an exchange is conditional, on the date that conditions have been satisfied and where there is a confirmed date for completion.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)**2.1 Revenue, cost of sales and gross profit**

	Revenue	Cost of sales	2021 Gross profit/(loss)	Revenue	Cost of sales	2020 Gross profit/(loss)
	£m	£m	£m	£m	£m	£m
Rental income	42.2	(32.9)	9.3	30.8	(29.1)	1.7
Income from sale of trading properties	-	-	-	1.8	(1.7)	0.1
Fees from asset and development management	14.8	(7.4)	7.4	10.4	(4.9)	5.5
Other income	10.6	(12.7)	(2.1)	7.6	(20.1)	(12.5)
	67.6	(53.0)	14.6	50.6	(55.8)	(5.2)

Contained within fee income is £10.3m (2020: £7.1m) received by Quintain Developments Ireland Limited from various Lone Star funds for development management services. These fees represent related party transactions. All other income has been received from the United Kingdom.

Net rental income

	2021 £m	2020 £m
Group net rental income	9.0	1.6
Share of joint venture and associates net rental income	0.3	0.1
Combined net rental income	9.3	1.7

2.2 Administrative expenses

The analysis of the Group's administrative expenses was as follows:

	2021 £m	2020 £m
Directors' remuneration	1.9	1.9
Administrative staff costs	14.3	13.9
Total staff costs	16.2	15.8
Legal and other professional fees	3.0	4.5
Office and IT costs	2.9	2.8
Depreciation of property, plant and equipment	1.7	1.9
General expenses	2.3	1.7
	26.1	26.7

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)**2.3 Staff costs and numbers**

Staff costs are included in both cost of sales and administrative expenses. Gross staff costs were as follows:

	2021 £m	2020 £m
Wages and salaries	28.1	24.8
Social security costs	3.0	2.9
Pension costs	1.2	1.1
Employment termination costs	0.1	0.2
Other employment costs	1.3	1.1
	33.7	30.1
Cost of sales	17.5	14.3
Administrative expenses	16.2	15.8
	33.7	30.1

Contributions to employees' personal pension plans are charged to the Consolidated Profit or Loss as incurred.

The average number of persons employed by the Group during the year was as follows:

	2021	2020
Total	239	222

Staff are allocated between cost of sales and administrative expenses as follows:

	2021	2020
Cost of sales	145	141
Administrative expenses	94	81
	239	222

2.4 Directors' remuneration

The remuneration of the directors, who are the key management personnel of the Group, is set out below in aggregate for each of the applicable categories specified in IAS 24, 'Related Party Disclosures'.

	2021 £m	2020 £m
Short-term employee benefits	1.8	1.2
Post-employment benefits	0.1	0.7
Directors' remuneration included in administrative expenses (note 2.2)	1.9	1.9

The members of the Board are the only key management personnel as defined under IAS 24.

Highest paid director:

The highest paid director's emoluments were as follows:

	2021 £m	2020 £m
Short-term employee benefits	1.1	1.1
Post-employment benefits	0.1	0.1
	1.2	1.2

Notes to the consolidated financial statements (continued)**2.5 Net finance costs**

	2021 £m	2020 £m
Recognised in the Consolidated Profit or Loss:		
Interest expense on bank debt and associated swaps	62.9	57.7
Interest expense on parent entity debt	109.5	99.4
Interest on obligations under finance leases	0.2	0.3
Fair value adjustment on loan modification	1.0	9.9
Change in fair value of ineffective caps	(0.6)	-
	173.0	167.3
Interest capitalised	(12.9)	(38.9)
Total finance costs	160.1	128.4
Finance income:		
Interest income on loans and receivables	(0.1)	(0.2)
Change in fair value of financial assets	-	(0.1)
Total finance income	(0.1)	(0.3)
Net finance costs	160.0	128.1

The interest capitalised relates to investment properties under development. The average rate of interest used for capitalisation was 5.9% (2020: 7.0%).

2.6 Taxation**i) Tax charge for the year**

	2021 £m	2020 £m
UK current tax at 19% (2020: 19%)	(3.2)	(0.3)
Deferred tax:		
On investment properties	108.8	8.1
Capital allowances	(32.3)	(22.8)
Revenue losses	(36.9)	(6.6)
Other temporary differences	1.1	0.3
Total deferred tax charge/(credit)	40.7	(21.0)
Tax charge/(credit) for the year	37.5	(21.3)

ii) Tax credit reconciliation

	2021 £m	2020 £m
Profit/(loss) before tax	212.2	(174.4)
Tax applied at UK corporation tax rate of 19 % (2020: 19%)	40.3	(33.1)
Non-deductible expenses and non-taxable items	21.7	14.4
Other ⁽¹⁾	0.3	-
Capital gains less capital losses	(2.0)	(4.9)
Unrecognised deferred tax	-	18.1
Capital allowances	(14.8)	(14.2)
Change in tax rate	9.7	2.6
Prior year adjustment in respect of current tax	(3.5)	-
Prior year adjustment in respect of deferred tax	(2.4)	(4.2)
Recognition of previously unrecognised deferred tax assets	(11.8)	-
Tax charge/(credit) for the year	37.5	(21.3)

(1) Other items includes the current year movement in the current tax provision relating to R&D and land remediation relief tax credits.

Notes to the consolidated financial statements (continued)**2.6 Taxation (continued)****iii) Deferred tax movements**

The Group has measured the deferred tax assets and liabilities as at 31 December 2021 using the enacted rate of 25% (2020: 19%).

	1 January 2021	Recognised in Profit or Loss	31 December 2021
	£m	£m	£m
Capital gains less capital losses	58.1	108.8	166.9
Capital allowances	(28.3)	(32.3)	(60.6)
Other temporary differences	0.6	1.1	1.7
Revenue losses	(30.4)	(36.9)	(67.3)
Deferred tax liability	-	40.7	40.7

	1 January 2020	Recognised in Profit or Loss	31 December 2020
	£m	£m	£m
Capital gains less capital losses	50.0	8.1	58.1
Capital allowances	(5.5)	(22.8)	(28.3)
Other temporary differences	0.3	0.3	0.6
Revenue losses	(23.8)	(6.6)	(30.4)
Deferred tax liability	21.0	(21.0)	-

The group has a recognised net deferred tax liability of £40.7m (2020: £nil) comprising of accelerated capital allowances, deductions for the long term incentive plan, capitalised loans fees, capital gains less capital losses on investment property and revenue tax losses carried forward.

The group has an unrecognised deferred tax asset of £10.9m (2020: £20.1m), comprising of tax losses and capital allowances that are unlikely to be realised in the short to medium term.

The Group in which the company is a member has a policy of paying consideration for the transfer of capital gains to fellow group companies to be offset by tax losses. The Group in which the company is a member has a policy of claiming / surrendering group relief for appropriate consideration.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. This has also increased the deferred tax at 31 December 2021 (which has been calculated based on the rate of 25% substantively enacted at the balance sheet date).

2.7 Fees paid to the auditor

	2021 £000	2020 £000
Fees payable to the Company's auditor for the audit of the Company's annual report	331.5	190.0
Fees payable to the Company's auditor for other services: The audit of the Company's subsidiaries pursuant to legislation	263.5	149.0

No non-audit fees have been paid to the auditor or its affiliates.

Notes to the consolidated financial statements (continued)**2.8 Leases****Operating leases**

The Group earns rental income by leasing its investment properties to tenants under non-cancellable operating leases.

Standard commercial and retail lease provisions include service charge recovery and upward only rent reviews every five years. On review, rents are increased either by a contractual formula, mainly linked to RPI, or to current market rent (estimated rental value or ERV). Typically, single let properties are leased on terms where the tenant is responsible for repair, insurance and running costs while multi-let properties are leased on terms which include recovery of a share of service charge expenditure and insurance. Residential properties are let on variable lease lengths.

The Group also let tenancies on terms which include a turnover based element of £0.9m (2020: £0.5m) during the year.

Future minimum lease payments receivable by the Group under non-cancellable operating leases were as follows:

	2021 £m	2020 £m
Within one year	48.6	21.4
From one to two years	28.9	13.3
From two to three years	14.8	11.0
From three to four years	7.5	8.1
From four to five years	6.8	7.3
After five years	31.8	42.1
	138.4	103.2

Finance leases

The Group has lease liabilities as a lessee in relation to leasehold investment property of £3.3m (2020: £3.3m), owner occupied property of £3.2m (2020: £2.8m), and other assets of £1.4m (2020: £0.5m). For future contractual cash flows on these leases refer to note 5.2. The right of use balance for leases of owner occupied property (and other assets) is included in note 4.1. An interest expense of £0.2m (2020: £0.3m) was recognised on right of use lease liabilities included in note 2.5.

3.1 Investment properties

	Freehold £m	Long leasehold £m	Total £m
Balance 1 January 2020	2,039.5	137.1	2,176.6
Additions – capital expenditure	184.2	0.1	184.3
Interest capitalised	38.9	-	38.9
Disposals	(100.0)	-	(100.0)
Revaluation deficit	(10.6)	(4.2)	(14.8)
Balance 31 December 2020	2,152.0	133.0	2,285.0
Balance 1 January 2021	2,152.0	133.0	2,285.0
Additions – capital expenditure	132.1	0.2	132.3
Interest capitalised	12.9	-	12.9
Revaluation surplus	353.5	28.4	381.9
Balance 31 December 2021	2,650.5	161.6	2,812.1

Notes to the consolidated financial statements (continued)**3.1 Investment properties** (continued)

The historical cost of the Group's investment properties as at 31 December 2021 was £2,275.9m (2020: £2,130.7m), which included capitalised interest of £295.9 m (2020: £283.0m).

The average rate used for interest capitalisation is shown in note 2.5.

The Group's properties were valued as at 31 December 2021 by an independent Valuer. Such valuations are carried out at each period end.

Investment properties are required to be analysed by level depending on the valuation method adopted, in accordance with IFRS 13 Fair Value Measurement:

Level 1: valuation based on quoted market prices traded in active markets

Level 2: valuation based on inputs other than quoted prices included within Level 1 that maximise the use of observable data either directly or from market prices or indirectly derived from market prices.

Level 3: where one or more inputs to valuation are not based on observable market data.

All investment property held by the Group is classified as Level 3 and there have been no transfers between levels of the fair value hierarchy during the year.

The key assumptions made in the valuation of the Group's development land at Wembley are:

- future development costs including construction cost inflation;
- future residential rental values including residential rental growth rates and operating costs;
- for non-residential elements future rental values, operating income and costs;
- the implementation strategy for the relevant plots;
- the timing and conditions of planning consent; and
- the developer's profit.

The following table shows the valuation technique in measuring the fair value of development land at Wembley, as well as the significant unobservable inputs used.

Valuation technique	Value and significant unobservable inputs
The fair value is derived from the estimated future rental income and residential capital values (in line with the external growth forecasts) from which are deducted future costs comprising base construction, infrastructure and future planning obligations to produce a residual value. This is then cross checked against relevant land sale transactions on a per acre basis, residential land sales rates per sq. ft and land value as a percentage of Gross Development Value ('GDV').	Value of Wembley development land £550.7m (2020: £565.5m)
	Significant unobservable inputs:
	Expected average private rental price inflation 4.25% - 3.50% (2020: 3.5%)
	Expected average private residential build cost inflation 2.25% - 3.00% (2020: 2.0%)
	Private residential yield 3.00% - 3.25% (2020: 3.25%)
	Private residential capital value; £875 to £1,344 (2020: £776 to £851) per sq. ft NIA
	Private residential direct build cost; £280 to £337 (2020: £166 to £278) per sq. ft GIA
	Future site-wide costs £69.2m (2020: £98.2m)
	Developer's profit 15.0% (2020: 12.5%)

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)**3.1 Investment properties** (continued)

The following table shows a sensitivity analysis of the impact on the valuation of development land at 31 December 2021 of changes in significant unobservable inputs, which in the opinion of the Directors, have the greatest estimation uncertainty and/or impact on valuations:

	Movement	2021 £m	2020 £m
Net initial yield	Increase of 0.25%	(125.8)	(55.0)
	Decrease of 0.25%	146.6	68.2
Profit on cost	Increase of 2.5%	(41.1)	(10.9)
	Decrease of 2.5%	43.2	11.4
ERV	Increase of 5%	(138.3)	-
	Decrease of 5%	179.6	-

The key assumptions made in the valuation of the Group's investment properties are:

- the amount and timing of future income streams;
- anticipated maintenance costs and other landlord's liabilities; and
- an appropriate yield.

The following table shows the valuation technique in measuring the fair value of the investment assets, as well as the significant unobservable inputs used.

Valuation technique	Value and significant unobservable inputs
The valuations reflect the tenancy data gathered by the Group along with associated revenue costs and capital expenditure. The fair value of the residential and commercial investment portfolio has been derived from capitalising the future estimated net income receipts at capitalisation rates reflected by recent arm's length sales transactions and indicative offers on assets in the market, net of selling costs.	Value of Wembley BtR assets £1,978.5m (2020: £1,398.8m) Significant unobservable inputs: Gross ERV: £84.9m* (2020: 56.8m) Net Initial Yield: 3.00% - 3.25% (2020: 3.29% (3.25%-3.35%)) *Grown to practical completion where applicable.
	Value of Wembley retail and other assets £282.9m (2020: £326.7m) Significant unobservable inputs: Gross ERV: £18.2m (2020: £24.4m) Net Initial Yield: 6.4% (2020: 4.7%)

The following table shows a sensitivity analysis of the impact on the valuation of PRS and Retail assets at 31 December 2021 of changes in significant unobservable inputs, which in the opinion of the Directors, have the greatest estimation uncertainty and/or impact on valuations:

	Movement	2021 £m	2020 £m
Wembley BtR assets:			
Net initial yield	Increase of 0.25%	(148.7)	(38.6)
	Decrease of 0.25%	175.0	45.0
ERV	Increase of 5%	(86.3)	-
	Decrease of 5%	112.8	-
Wembley retail and other assets:			
Net initial yield	Increase of 0.25%	(11.1)	(3.5)
	Decrease of 0.25%	12.2	3.7
ERV	Increase of 5%	8.2	-
	Decrease of 5%	35.9	-

The relationship between the unobservable inputs and their impact on the fair value measurement is not certain. Changes to the tenancies and/or income profile of an investment asset may also impact the fair value outside one or more of the above inter-relationships according to individual circumstances.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)**3.1 Investment properties** (continued)

A reconciliation of the valuations carried out by the valuers to the carrying values shown on the Consolidated Balance Sheet was as follows:

	2021 £m	2020 £m
Investment properties at market value	2,819.1	2,291.0
Adjustment in respect of rent-free periods and other tenant incentives	(11.7)	(9.8)
Adjustment in respect of minimum payment under head leases separately included as a liability in the Consolidated Statement of Financial Position	4.7	3.8
As shown in the Consolidated Statement of Financial Position	2,812.1	2,285.0

3.2 Capital commitments

As at 31 December 2021, the Group had capital commitments of £81.4m (2020: £183.5m) in relation to development properties. Of the total committed amount, £74.6m (2020: £124.4m) is due within one year.

3.3 Investments in equity-accounted investees

The Group's interest in its joint ventures as at 31 December 2021 was as follows:

	% ownership	Country of incorporation	Joint venture partners
BPQW LLP ('Boxpark')	50.00	United Kingdom	Boxpark
Quantum Unit Trust ('Quantum')	50.00	Channel Islands	Aviva
Crest Nicholson BioRegional Quintain LLP ('OneBrighton')	50.00	United Kingdom	Crest Nicholson

The Group's interest in its associates at 31 December 2021 was as follows:

	% ownership	Country of incorporation	Other members
Aqua Trust ('Aqua')	50.00	United Kingdom	Aviva

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)

4.1 Other non-current assets

The movement in other non-current assets was as follows:

				2021
	Loans and receivables	Investments at fair value	Right of use assets	Total
	£m	£m	£m	£m
Opening balance	8.6	0.7	2.6	11.9
Additions	-	-	0.8	0.8
Revaluation gain	-	0.2	-	0.2
Depreciation	-	-	(0.3)	(0.3)
Closing balance	8.6	0.9	3.1	12.6

				2020
	Loans and receivables	Investments at fair value	Right of use assets	Total
	£m	£m	£m	£m
Opening balance	-	1.3	3.2	4.5
Additions	8.6	-	-	8.6
Revaluation deficit	-	(0.6)	-	(0.6)
Depreciation	-	-	(0.6)	(0.6)
Closing balance	8.6	0.7	2.6	11.9

4.2 Trade and other receivables

	2021	2020
	£m	£m
Trade receivables	17.6	17.4
Amounts due from related parties	1.1	1.0
Other receivables	5.1	12.5
Trade and other receivables	23.8	30.9
Prepayments and accrued income	16.1	15.2
VAT receivable	5.7	-
Fair value of derivative caps	0.8	0.3
	46.4	46.4

The ageing of trade and other receivables was as follows:

	2021			2020		
	Gross	Impairment	Net	Gross	Impairment	Net
	£m	£m	£m	£m	£m	£m
Trade and other receivables:						
Not past due	21.5	(0.8)	20.7	25.2	(0.3)	24.9
Past due less than one month	1.0	-	1.0	0.9	-	0.9
Past due one to three months	-	-	-	0.9	(0.1)	0.8
Past due three to six months	0.9	(0.2)	0.7	2.1	-	2.1
Past due over six months	3.9	(2.5)	1.4	6.1	(3.9)	2.2
	27.3	(3.5)	23.8	35.2	(4.3)	30.9

The following amounts due from related parties, which are unsecured, are included in trade and other receivables:

	2021	2020
	£m	£m
Quintain Bailey Holdings Limited	1.0	1.0
	1.0	1.0

Notes to the consolidated financial statements (continued)**4.3 Credit risk**

The Group's exposure to credit risk arises from potential financial loss if a tenant or counterparty to a financial instrument fails to meet its contractual obligations. The credit rating of counterparties to financial instruments is kept under review, particularly in the light of the current economic climate.

The Group's activities are focused exclusively in the United Kingdom and Republic of Ireland. Within this geographical area, its exposure to credit risk arising from trade and other receivables is influenced by the individual characteristics of each tenant and debtor.

The Group operates a policy whereby the creditworthiness of each tenant is assessed prior to lease or pre-lease terms being agreed. The process includes seeking external ratings where available and reviewing financial information in the public domain. In certain cases, the Group will require collateral to support these lease obligations. This usually takes the form of a rent deposit, parent company guarantee or a bank guarantee.

Commercial rent collection is outsourced to managing agents who report regularly on payment performance and provide the Group with intelligence on the continuing financial viability of tenants. Arrears are monitored on a weekly basis by the internal property management teams and a strategy for dealing with significant potential defaults is presented on a timely basis by the property managers. Outstanding tenant balances are reviewed on a quarterly basis for impairment.

The Group's maximum exposure to the credit risk arising from non-current and current receivables amounts to £23.8 m (2020: £29.9m). The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for receivables. To measure expected credit losses on a collective basis, receivables are grouped based on similar credit risk and ageing. The expected loss rates are based on the Group's historical credit losses experienced which are then adjusted for current and forward-looking information on macroeconomic factors affecting the Group's customers. There were no (2020: none) material expected credit losses on the Group's financial assets as at 31 December 2021. Management overlays have been recognised based on specific circumstances for each receivable.

The Board does not believe there is a significant credit risk in respect of those financial assets that are not yet due and not impaired.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

4.4 Trade and other payables

	2021 £m	2020 £m
Trade payables	2.6	3.3
Other payables	4.0	3.5
Accruals	50.7	52.2
Deferred income	11.5	7.7
	68.8	66.7

4.5 Trading properties

	2021 £m	2020 £m
Opening balance	7.9	15.6
Disposals	-	(7.7)
Closing balance	7.9	7.9

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)

5.1 Bank loans and other borrowings

	Available facility £m	Commencement date	Expiry date	2021 £m	2020 £m
Current liabilities:					
Parent company loan	1,136.2	2016	2022	1,049.2	-
Group development facility ⁽¹⁾	623.2	2016	2022	616.9	-
Mezzanine loan through parent	240.0	2016	2022	242.3	-
E05 facility ⁽¹⁾	172.6	2019	2022	153.4	-
W06 facility	-	-	-	-	99.2
	2,172.0			2,061.8	99.2
Non-current liabilities:					
Parent company loan	-	-	-	-	885.6
Group development facility	-	-	-	-	590.3
Mezzanine loan through parent	-	-	-	-	239.8
E05 facility	-	-	-	-	129.8
Alameda BtR facility ⁽¹⁾	118.9	2020	2030	118.0	117.9
Landsby BtR facility ⁽¹⁾	115.0	2019	2026	114.3	114.2
Beton BtR facility ⁽¹⁾	49.0	2021	2023	48.1	-
The Hive facility	38.0	2021	2023	37.1	-
Homes England facility	65.0	2018	2024	77.2	67.7
NW09/10 development facility ⁽¹⁾	161.1	2019	2023	56.5	11.2
Emerald Gardens BtR facility ⁽¹⁾	39.4	2017	2026	38.8	38.7
Alto BtR facility ⁽¹⁾	35.7	2018	2023	35.7	35.7
Alto Residential loan ⁽¹⁾	5.0	2020	2030	4.9	4.9
	627.1			530.6	2,235.8
Total bank loans and other borrowings	2,799.1			2,592.4	2,335.0
Represented by:					
Bank and other loans				2,603.6	2,349.9
Unamortised fair value adjustments				1.3	(2.1)
Unamortised borrowing costs				(12.5)	(12.8)
				2,592.4	2,335.0

(1) Fixed interest rate or covered by interest caps.

On 15 December 2020 the Group Development Facility was extended until 31 December 2022 (with an option for a further 12-month extension), with an additional facility of £62.3m made available. The Mezzanine loan through parent was also extended with the same term. This was treated as a loan modification under IFRS 9 in the prior year with a fair value adjustment of £9.9m made to the Statement of Comprehensive Income (see note 2.5).

On 17 December 2021 a £38m term loan facility was signed with Investec with a term of 2 years (with an option for a further 12-month extension). On 20 December 2021 a £49m term facility was signed with Bank of America with a term of 18 months (with an option for a further 6-month extension). These facilities replaced the W06 facility from the prior year.

The maturity profile of the Group's debt was as follows:

	2021 Drawn debt £m	2021 Undrawn facilities £m	2020 Drawn debt £m	2020 Undrawn facilities £m
Within one year	2,004.7	17.1	99.1	20.0
From one to two years	243.4	103.6	2,025.6	64.5
From two to three years	65.0	-	48.6	148.6
From three to five years	159.4	-	60.2	4.8
After five years	118.9	-	278.3	-
	2,591.4⁽¹⁾	120.7	2,511.8 ⁽¹⁾	237.9

(1) Includes the parent company loan at a face value of £1,136.2m (2020: £1,055.2m).

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the consolidated financial statements (continued)**5.1 Bank loans and other borrowings** (continued)

The cash interest rate profile of the Group's debt before interest rate swap arrangements at the Balance Sheet date was as follows:

Percent	2021 £m	2020 £m
0.0	1,049.2	885.6
2.0 – 3.0	358.0	309.0
3.0 – 4.0	598.0	560.0
4.0 – 5.0	5.0	5.0
5.0 – 6.0	134.7	179.9
6.0 – 7.0	218.7	170.4
7.0 +	240.0	240.0
	2,603.6	2,349.9

Changes in liabilities from financing activities

	Loans and borrowings £m	Finance lease liabilities £m	Assets £m	Derivatives used for hedging the liabilities from financing activities Liabilities £m
Balance at 1 January 2020	1,992.4	7.2	0.1	0.1
Proceeds from loans and borrowings	249.9	-	-	-
Payment of finance lease liabilities	-	(0.6)	-	-
Payment for new derivatives	-	-	0.2	-
Payment of loan issue costs	(7.1)	-	-	-
Total changes from financing cash flows	242.8	(0.6)	0.2	-
Changes in fair value	0.4	-	-	(0.1)
Amortisation of capitalised borrowing costs	5.9	-	-	-
Unwinding fair value adjustment parent company loan	80.8	-	-	-
Interest added to loans	12.7	-	-	-
Total other changes	99.4	-	-	-
Balance at 31 December 2020/1 January 2021	2,335.0	6.6	0.3	-
Proceeds from loans and borrowings	149.1	-	-	-
Payment of finance lease liabilities	-	(0.7)	-	-
New finance lease liabilities	-	2	-	-
Payment for new derivatives	-	-	0.5	-
Payment of loan issue costs	(4.5)	-	-	-
Total changes from financing cash flows	144.6	1.3	0.5	-
Amortisation of capitalised borrowing costs	4.8	-	-	-
Unwinding fair value adjustment parent company loan	90.2	-	-	-
Interest added to loans	17.8	-	-	-
Total other changes	112.8	-	-	-
Balance at 31 December 2021	2,592.4	7.9	0.8	-

Notes to the consolidated financial statements (continued)**5.2 Maturity of contractual cash flows of financial liabilities**

As at 31 December 2021	Bank loans including interest £m	Trade and other payables £m	Obligations under finance leases £m	Total £m
Within one year	2,066.8	6.6	0.9	2,074.3
From one to two years	262.6	-	1.0	263.6
From two to five years	86.8	-	2.3	89.1
From five to 25 years	289.9	-	0.4	290.3
After 25 years	-	-	3.3	3.3
	2,706.1	6.6	7.9	2,720.6

As at 31 December 2020	Bank loans including interest £m	Trade and other payables £m	Obligations under finance leases £m	Total £m
Within one year	159.5	6.8	0.9	167.2
From one to two years	2,070.2	-	0.9	2,071.1
From two to five years	60.4	-	2.1	62.5
From five to 25 years	282.7	-	3.4	286.1
After 25 years	-	-	23.1	23.1
	2,572.8	6.8	30.4	2,610.0

As at 31 December 2021 and 2020, the fair values of the Group's financial assets and liabilities do not differ materially to their carrying amount.

5.3 Financial instruments**Interest rate caps**

As at 31 December 2021, the maturity profile of the Group's interest rate caps was as follows:

	2021 £m	2020 £m
Within one year	267.4	194.0
From one to two years	49.0	273.4
From two to five years	109.5	38.2
	425.9	505.6

The weighted average contract rate was 1.6% (2020: 1.5%).

5.4 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement. Contained within cash and cash equivalents was £11.4m (2020: £13.0m) held in debt related liquidity reserve accounts and other escrow accounts, with restrictions on its use.

Notes to the consolidated financial statements (continued)**5.5 Financial risk management**

The Board has overall responsibility for the establishment and oversight of the Group's risk management framework as described in the Risk management section of the Annual Report.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

The Group is exposed to the following types of risk:

- Credit risk (see note 4.3)
- Liquidity risk
- Market risk
- Foreign exchange risk

This note presents information about the nature of the Group's exposure, its objectives, policies and processes for measuring and managing risk and the Group's management of capital. Further quantitative disclosures are included throughout these consolidated financial statements.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as these fall due.

Cash levels are monitored to ensure sufficient resources are available to meet the Group's operational requirements. The Group has a £20m overdraft facility to manage day to day cash movements. Surplus cash is used to reduce the overdraft.

The Group's policy is to finance its activities using equity, debt financing from the parent and medium-term external debt, the proportions depending on the profile of the operational and financial risks to the business.

Market risk

In relation to the Group, market risk arises mainly from the impact that changes in interest rates may have on the Group's cost of borrowing. Excluding amortisation of arrangement fees, the weighted average rate of interest relating to the Group's debt as at 31 December 2021 was 6.4% (2020: 6.4%).

The Group does not speculate in treasury products and only uses these to limit the impact of potential interest rate fluctuations. For borrowings at floating rates of interest, financial instruments are used to hedge the exposure to interest rate fluctuations. As at 31 December 2021 32.4 % (2020: 59.2%) of the Group's debt was fixed or covered by interest caps. Further information on the Group's financial instruments is given in note 5.3.

As at the year end, the fair values of the Group's outstanding caps in note 4.2, have been estimated by Goldman Sachs International and SMBC, by calculating the present value of future cash flows, using appropriate market discount rates, representing Level 2 fair value measurements as defined by IFRS 13, 'Fair Value Measurements'. The investments held at fair value as presented in note 4.1 consist of investments where quoted prices are available but in markets that are not considered active; therefore these are considered Level 3 fair value measurements. All other financial liabilities and assets are deemed to be Level 3.

The corporate debt facility has a 57.14% LTV covenant which must be met. As at 31 December 2021 the LTV was 45.7% on the senior debt and 63.3% on the mezzanine (2020: 38.1% senior, 62.3% mezzanine). There is also a requirement to maintain income generating assets and before any drawdown the Group must satisfy an ongoing liquidity test to demonstrate that the Group can fund all projects where the main construction contract has been placed. The BtR debt facilities have LTV covenants and a debt service cover ratio which must be complied with. The Homes England debt has loan to infrastructure cost, loan to GDV and debt to value covenants. The W06 facility has an LTV covenant. All debt covenants have been complied with throughout the year.

Notes to the consolidated financial statements (continued)**5.5 Financial risk management (continued)****Foreign exchange risk**

The business has operations in the Republic of Ireland which transact business denominated mostly in euros, hence there is currency exposure caused by translating the local trading performance and local net assets into sterling for each financial period and at each reporting date. The exposure is not considered material to the Group's operations and no hedging of currency risk is undertaken.

Capital management

The Board's policy is to maintain a strong capital base to sustain the future development of the business. Capital consists of ordinary shares, parent company loans, other capital reserves and retained earnings.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements other than those referred to above in connection with the Group's financing arrangements.

The primary objective of the Group's capital management is to maximise shareholder value. The key metric used to monitor the capital structure of the Group is net external debt and debts to assets ratio. Net debt is calculated as total loans and borrowings excl parent company loans (as shown in note 5.1) less cash and cash equivalents.

Net external debt:

	2021 £m	2020 £m
Total loans and borrowings	2,592.4	2,335.0
Cash and cash equivalents	(31.4)	(77.5)
Net debt	2,561.0	2,257.5
Less: parent company loan	(1,049.2)	(885.6)
Net external debt	1,511.8	1,371.9

The debt to assets ratio measures the level of debt compared to the value of the assets which give security for debt and is measured as net external debt divided by the market value of investment and development property and trading properties.

	2021 £m	2020 £m
Market value of investment and trading properties	2,827.0	2,298.9
Net external debt	1,511.8	1,371.9
Debt to assets ratio	53.5%	59.7%

5.6 Share capital

	Number of Ordinary shares	Nominal value £
Allotted, called up and fully paid:		
In issue as at 1 January 2020, 1 January 2021 and 31 December 2021	2	2

Full details of the rights and obligations attaching to the ordinary shares are contained in the Company's articles of association. These rights include an entitlement to receive the Company's annual report and financial statements, to attend and speak at general meetings of the Company, to appoint proxies and to exercise voting rights. Holders of ordinary shares may also receive dividends and may receive a share of the Company's assets on the Company's liquidation. There are no restrictions on the transfer of the ordinary shares.

Notes to the consolidated financial statements (continued)

5.7 Nature and purpose of reserves

The following describes the nature and purpose of each reserve within equity:

Share premium

Share premium represents the excess amount subscribed for share capital over nominal value.

Other reserve

The other reserve includes the cumulative net change in the fair value of the Parent company loan.

Retained earnings

Retained earnings represents accumulated profits and losses from incorporation.

6.1 Controlling party

At 31 December 2021 the Company's immediate parent was Quintain Bailey Holdings Limited, registered address 44 Esplanade, St Helier, Jersey, JE4 9WG. The smallest and largest group in which results of the Company are consolidated are those headed by Quintain Finance Limited, incorporated in Jersey, registered address 44 Esplanade, St Helier, Jersey, JE4 9WG. Group financial statements of Quintain Finance Limited are available on request from 180 Great Portland Street, London W1W 5QZ. The ultimate controlling party is Lone Star Real Estate Fund IV Bailey Topco Limited, an entity incorporated in Bermuda.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Company financial statements

Company Statement of Profit or Loss and Other Comprehensive Income
For the year ended 31 December 2021

	Notes	2021 £m	2020 £m
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(20.7)	-
Operating loss		(20.7)	-
Reversal of impairment/(impairment) of fixed asset investments	7.4	143.7	(77.1)
Finance income	7.2	66.1	67.0
Finance costs	7.2	(147.4)	(143.0)
Profit/(loss) before taxation		41.7	(153.1)
Taxation	7.3	6.2	(9.4)
Profit/(loss) for the financial year		47.9	(162.5)
Other comprehensive income, net of taxation		-	-
Total comprehensive profit/(loss) for the year		47.9	(162.5)

The notes on pages 56 to 64 are an integral part of these financial statements.

All the results shown are from continuing operations.

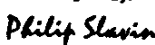
Bailey Acquisitions Limited results for the year ended 31 December 2021

Company financial statements (continued)**Company Balance Sheet**
As at 31 December 2021

	Notes	2021 £m	2020 £m
Non-current assets			
Fixed asset investments	7.4	858.9	715.2
Non-current receivables		8.6	8.6
		867.5	723.8
Current assets			
Trade and other receivables	7.5	1,116.4	981.4
Deferred tax asset	7.3	9.5	5.3
Cash and cash equivalents		1.5	52.8
		1,127.4	1,039.5
Creditors: amounts falling due within one year	7.6	-	(6.9)
Bank loans and borrowings	7.7	(1,908.4)	-
Current tax liability		(6.1)	(14.7)
Net current liabilities/(assets)		(787.1)	1,017.9
Total assets less current liabilities		80.4	1,741.7
Bank loans and borrowings	7.7	(8.5)	(1,724.3)
Net assets		71.9	17.4
Capital and reserves			
Called up share capital	7.8	-	-
Share premium		1.0	1.0
Retained earnings		(325.2)	(373.1)
Other reserve		396.1	389.5
Equity shareholder's funds		71.9	17.4

The notes on pages 56 to 64 are an integral part of these financial statements.

Approved by the Board of Directors on 30 August 2022 and signed on its behalf by:

DocuSigned by:

 5850AFC215874AB...
 Philip Slavin
 Director

UK Establishment number: BR018903
 Company number: 119100

Bailey Acquisitions Limited results for the year ended 31 December 2021

Company financial statements (continued)**Company Statement of Changes in Equity****For the year ended 31 December 2021**

	Share capital	Share premium	Other reserve	Retained earnings	Equity Shareholder's funds
	£m	£m	£m	£m	£m
Balance 1 January 2021	-	1.0	389.5	(373.1)	17.4
Profit for the year	-	-	-	47.9	47.9
Total comprehensive loss for the year	-	-	-	47.9	47.9
Fair value adjustment of parent company loan note	-	-	6.6	-	6.6
Balance as at 31 December 2021	-	1.0	396.1	(325.2)	71.9

	Share capital	Share premium	Other reserve	Retained earnings	Equity Shareholder's funds
	£m	£m	£m	£m	£m
Balance 1 January 2020	-	1.0	389.5	(210.6)	179.9
Loss for the year	-	-	-	(162.5)	(162.5)
Total comprehensive loss for the year	-	-	-	(162.5)	(162.5)
Fair value adjustment of parent company loan note	-	-	-	-	-
Balance as at 31 December 2020	-	1.0	389.5	(373.1)	17.4

The notes on pages 56 to 64 are an integral part of these financial statements.

Notes to the company financial statements**7.1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

i) Basis of preparation

The Company financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101'). In preparing the financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ('adopted IFRS'), but makes amendments where necessary in order to comply with Companies (Jersey) Law 1991 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 38A, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

ii) Going concern

The Company's financial statements have been prepared on a going concern basis which assumes that the Company will continue to meet its liabilities as these fall due. As the Company is party to the loan arrangements of the Group, similar risks and uncertainties apply and therefore the going concern paragraphs in section 1.3 of the Group financial statements are equally relevant to the Company.

iii) Investments

Investments in subsidiaries, joint ventures and associates are recognised on the Company balance sheet at cost and reviewed for impairment.

iv) Impairment of non-financial assets

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

v) Revenue

Revenue represents dividend income from investments. Dividend income is recognised when the right to receive payment is established.

Notes to the company financial statements (continued)**7.1 Accounting policies (continued)****vi) Taxation**

Tax on the profit and loss for the year comprises current and deferred tax. Tax is recognised in profit and loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is also recognised directly in equity or other comprehensive income.

Current or deferred taxation assets and liabilities are not discounted.

i. Current tax

Current tax is the expected tax payable or receivable on taxable profit or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years

ii. Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets and liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets or liabilities, using tax rates enacted or substantively enacted at the balance sheet.

Deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised.

vii) Financial instruments**Debtors**

Debtors are initially recognised at their fair value plus transaction costs and are subsequently measured at amortised cost less allowance for credit losses/impairment of bad debts. The Company measures impairments at an amount equal to lifetime expected credit losses (ECL). The only material debtors held by the Company are from other Group entities and are repayable on demand. Therefore the current financial position of the subsidiary is integral in determining the ECL.

Cash at bank and in hand

Cash at bank and in hand consists of cash in hand, deposits with banks and other short term, highly liquid investments with original maturities of three months or less.

Creditors: amounts falling due within one year

Creditors due within one year are non-interest bearing and are recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Borrowings are subsequently measured at amortised cost with any difference between the amount initially recognised and the redemption value being recognised in the Statement of Profit or Loss over the period of the borrowings on an effective interest rate basis.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the company financial statements (continued)**7.2 Net finance costs**

	2021 £m	2020 £m
Interest expense on bank debt and associated swaps	45.5	42.1
Interest expense on parent entity debt	90.2	80.8
Fair value adjustment on loan modification	1.0	9.8
Interest paid on amounts due to group undertakings	10.7	10.3
Total finance costs	147.4	143.0
Finance income		
Interest received on amounts due from group undertakings	(66.1)	(67.0)
Total finance income	(66.1)	(67.0)
Net finance costs	81.3	76.0

7.3 Taxation**i) Tax charge for the year**

	2021 £m	2020 £m
UK current tax at 19.0%	(2.0)	14.7
Deferred tax:		
Origination and reversal of temporary differences	(3.1)	-
Utilisation of tax losses	-	(6.4)
Other temporary differences	-	1.1
Effect of tax rate change	(1.5)	-
Adjustments in respect of prior periods	0.4	-
Total deferred tax credit	(4.2)	(5.3)
Tax (credit)/charge for the year	(6.2)	9.4

ii) Tax charge reconciliation

	2021 £m	2020 £m
Profit/(loss) before tax	41.7	(153.1)
Tax applied at UK corporation tax rate of 19 % (2020: 19.0%)	7.9	(29.1)
Non-deductible expenses and non-taxable items	(6.2)	37.1
Deferred tax not recognised	(2.7)	-
Change in tax rate	(1.6)	-
Prior year adjustment in respect of current tax	(4.0)	1.4
Prior year adjustment in respect of deferred tax	0.4	-
Tax (credit)/charge for the year	(6.2)	9.4

Notes to the company financial statements (continued)**7.3 Taxation** (continued)**iii) Deferred tax movements**

The Group has measured the deferred tax assets and liabilities as at 31 December 2021 using the enacted rate of 25% (2020: 19%).

	1 January 2021	Recognised in profit and loss	31 December 2021
	£m	£m	£m
Other temporary differences	1.1	0.4	1.5
Revenue tax losses	(6.4)	(4.6)	(11.0)
Deferred tax asset	(5.3)	(4.2)	(9.5)

The company has a recognised net deferred tax asset of £9.5m (2020: £5.3m) comprising of capitalised loans fees and revenue tax losses carried forward.

The company has an unrecognised deferred tax asset of £nil (2020: £2.1m) comprising of revenue tax losses that are unlikely to be realised in the short to medium term.

The Group in which the company is a member has a policy of claiming / surrendering group relief and transferring capital gains to fellow group companies to be offset by tax losses for appropriate consideration.

The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. An increase in the UK corporation tax rate from 19% to 25% (effective from 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly.

This has also increased the deferred tax at 31 December 2021 (which has been calculated based on the rate of 25% substantively enacted at the balance sheet date).

7.4 Fixed asset investments

	2021 £m	2020 £m
Cost		
Brought forward	715.2	745.1
Additions	-	47.2
Reversal of impairment/(impairment charge)	143.7	(77.1)
Balance at 31 December 2021	858.9	715.2

Notes to the company financial statements (continued)**7.4 Fixed asset investments (continued)****Subsidiaries:**

	Principal activity	% of share capital held:	Subsidiary
Incorporated in the United Kingdom:			
BQL Limited	Dormant		100%
BQL Brighton Limited	Dormant		100%
Chesterfield Investments (No.5) Limited	Property investment		100%
Chesterfield (No.40) Limited	Dormant		100%
Chesterfield Properties Limited	Property investment		100%
Disknote Limited	Dormant		100%
Flatplate Limited	Dormant		100%
Fulton Road Limited	Property investment		100%
Gideon 1 Limited	Dormant		100%
Gideon 2 Limited	Dormant		100%
Gideon 3 Limited	Dormant		100%
Gideon 4 Limited	Dormant		100%
Letterbag Limited	Property investment		100%
London Designer Outlet Limited Partnership	Property investment		100%
Orderthread Limited	Dormant		100%
Permitobtain Limited	Property investment		100%
QCC Holdings Limited	Dormant		100%
QL Management Holdings Limited	Dormant		100%
Quintain (Holdings) Limited	Investment holding		100%
Quintain (Juniper Close) Limited	Property investment		100%
Quintain (Manchester) Limited	Property investment		100%
Quintain (No.18) Limited	Dormant		100%
Quintain (No.19) Limited	Dormant		100%
Quintain (Wembley) Limited	Dormant		100%
Quintain (Wembley Retail Park) Limited	Property investment		100%
Quintain Limited	Investment holding	100%	
Quintain Alto Limited	Dormant		100%
Quintain Alto Developments Limited	Dormant		100%
Quintain Alto Holdco Limited	Investment holding		100%
Quintain Alto Investor Limited	Investment holding		100%
Quintain Alto Investment Holdco Limited	Investment holding		100%
Quintain Alto Investment Company Limited	Investment holding		100%
Quintain Alto Residential Limited	Property investment		100%
Quintain Birmingham Limited	Dormant		100%
Quintain City Park Gate Birmingham Limited	Property investment and trading		100%
Quintain Developments Ireland Limited	Development management		100%
Quintain Development Management Services Limited	Development management		100%
Quintain Investments (04) Limited	Property investment		100%
Quintain Investments (Allen House) Limited	Asset Management		100%
Quintain LDO (No.1) Limited	Investment holding		100%
Quintain LDO (No.2) Limited	Investment holding		100%
Quintain LDO (General Partner) Limited	Investment holding		100%

Notes to the company financial statements (continued)**7.4 Fixed asset investments (continued)****Subsidiaries (continued):**

	Principal activity	% of share capital held:	Subsidiary
Incorporated in the United Kingdom:			
Quintain LDO (Nominee) Limited	Investment holding		100%
Quintain London Limited	Property investment		100%
Quintain North West Lands Limited	Property investment		100%
Quintain NW01 Developments Limited	Property investment		100%
Quintain NW01 Investment Company Limited	Investment holding		100%
Quintain Projects Limited	Development management		100%
Quintain Services Limited	Management services		100%
Quintain WO5 (Groundlease) Limited	Property investment		100%
Quintain W07 (Groundlease) Limited	Property investment		100%
Quintain W10 (Groundlease) Limited	Property investment		100%
Quintain Wembley (Holdings) Limited	Dormant		100%
Quintain Wembley Hotel Properties Limited	Dormant		100%
Quintain Wembley Trading Estate Limited	Property investment		100%
Quintain Wembley W11 Limited	Property investment		100%
Quintessential Homes (Wembley) LLP	Dormant		100%
Quondam Estates Investments Limited	Dormant		100%
QW Asset Management Limited	Dormant		100%
QWR Properties E05 Limited	Property investment		100%
QWR Properties E01 Limited	Property investment		100%
QWR Properties E03 Limited	Property investment		100%
QWR Properties NW07 Limited	Property investment		100%
QWR Properties NW09 Limited	Property investment		100%
QWR Properties SW03a Limited	Property investment		100%
QWR Properties W03 Limited	Property investment		100%
QWR Properties W06 Limited	Property investment		100%
QWR Services E Limited	Management services		100%
QWR Services W Limited	Management services		100%
Quintain Living Limited	Property management		100%
Tipi Properties Limited	Investment holding		100%
Tipi Properties Holdco Limited	Dormant		100%
Tipi Properties NW01 Limited	Property investment		100%
Tipi Properties NW01 Finance Limited	Investment holding		100%
Tipi Properties NW01 Holdco Limited	Investment holding		100%
Tipi Properties NW01 Investments Limited	Dormant		100%
Tipi Properties NW06 Limited	Property investment		100%
Tipi Properties NW06 Finance Limited	Investment holding		100%
Tipi Properties NW06 Holdco Limited	Investment holding		100%
Tipi Properties NW06 Investments Limited	Investment holding		100%
Wembley (Red House) Limited	Dormant		100%
Wembley E01 Investments Limited	Property investment		100%
Wembley E03 Energy Investments Limited	Property investment		100%
Wembley E03 Investments Limited	Property investment		100%
Wembley E03 Parking Limited	Property investment		100%

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the company financial statements (continued)

7.4 Fixed asset investments (continued)

Subsidiaries (continued):

	Principal activity	% of share capital held:	Subsidiary
Wembley E05 Finance Holdings Limited	Property investment		100%
Wembley E05 Holdings Limited	Property investment		100%
Wembley E05 Investments Limited	Property investment		100%
Wembley E05 Parking Limited	Property investment		100%
Wembley E05 Retail Investments Limited	Property investment		100%
Wembley Groundlease Limited	Dormant		100%
Wembley Infrastructure Finance Limited	Dormant		100%
Wembley Infrastructure Holdings Limited	Investment holding		100%
Wembley NW04 Investments Limited	Property investment		100%
Wembley NW07 Finance Holdings Limited	Investment holding		100%
Wembley NW07 Holdings Limited	Investment holding		100%
Wembley NW07 Investments Limited	Property investment		100%
Wembley NW09 Finance Holdings Limited	Dormant		100%
Wembley NW09 Holdings Limited	Investment holding		100%
Wembley NW09 Investments Limited	Investment holding		100%
Wembley NW07 Investments Limited	Property investment		100%
Wembley NW11 Groundlease Limited	Property investment		100%
Wembley NW11 Investments Limited	Property investment		100%
Wembley Office Investments W06A Limited	Property investment		100%
Wembley Park Limited	Property investment		100%
Wembley Park Estate Management Company Limited	Management services		100%
Wembley Park Parking Limited	Dormant		100%
Wembley Park Residential Limited	Property management		100%
Wembley QLIM Holdings Limited	Investment holding		100%
Wembley Retail Investments Limited	Property investment		100%
Wembley Retail Investments E01 Limited	Property investment		100%
Wembley Retail Investments E03 Limited	Property investment		100%
Wembley Retail Investments NW09 Limited	Property investment		100%
Wembley Retail Investments SW03 Limited	Property investment		100%
Wembley Retail Investments W06 Limited	Property investment		100%
Wembley Retail Investments W06A Limited	Property investment		100%
Wembley SE01 Investments Limited	Property investment		100%
Wembley SW03a Investments Limited	Property investment		100%
Wembley W02 Investments Limited	Property investment		100%
Wembley W03 Finance Holdings Limited	Property investment		100%
Wembley W03 Holdings Limited	Property investment		100%
Wembley W03 Investments Limited	Property investment		100%
Wembley W03 Retail Investments Limited	Property investment		100%
Wembley W06 Commercial Finance Holdings Limited	Investment holding		100%
Wembley W06 Commercial Holdings Limited	Investment holding		100%
Wembley W06 Finance Holdings Limited	Investment holding		100%
Wembley W06 Group Holdings Limited	Investment holding		100%
Wembley W06 Holdings Limited	Investment holding		100%
Wembley W06 Residential Holdings Limited	Investment holding		100%
Wembley W06A Commercial Investments Limited	Property investment		100%
Wembley W06B Investments Limited	Property investment		100%
Wembley W08 Investments Limited	Property investment		100%
Wembley W10a Investments Limited	Property investment		100%
Wembley W12 Investments Limited	Property investment		100%
Velocity1 Limited	Technology		100%

Notes to the company financial statements (continued)**7.5 Trade and other receivables**

	2021 £m	2020 £m
Amounts due from subsidiary undertakings	1,112.0	980.4
Amounts due from parent undertaking	4.4	1.0
	1,116.4	981.4

Amounts due from subsidiary undertakings and the parent undertaking bears interest at variable rates, are repayable on demand and are linked to the parent company loans that expire in 2022.

7.6 Creditors: amounts falling due within one year

	2021 £m	2020 £m
Accruals and deferred income	-	6.9
	-	6.9

7.7 Bank loans and borrowings

	2021 £m	2020 £m
Current liabilities:		
Group development facility	616.9	-
Parent company loan	1,049.2	-
Mezzanine loan through parent company	242.2	-
	1,908.4	-
Non-current liabilities:		
Group development facility	-	590.3
Parent company loan	-	885.6
Mezzanine loan through parent company	-	239.8
Amounts due to subsidiary undertakings	8.6	8.6
	8.6	1,724.3
Total bank loans and borrowings	1,916.9	1,724.3

The parent company loans bear interest at variable rates, are repayable on demand and expire in 2022 (see note 5.1 for further detail). The amounts due to subsidiary undertakings is interest-free and repayable on demand.

Maturity Analysis

	2021 £m	2020 £m
Due within one year	1,908.3	-
Between one and two years	-	1,715.7
Between two and five years	-	-
Greater than five years	-	-
	1,908.3	1,715.7

The Company's borrowings are secured by floating rate charges over the assets of its subsidiaries.

Bailey Acquisitions Limited results for the year ended 31 December 2021

Notes to the company financial statements (continued)**7.8 Share capital**

	Number of Ordinary shares	Nominal value £
Allotted, called up and fully paid:		
In issue as at 1 January 2020, 1 January 2021 and 31 December 2021	2	2

The rights and obligations are disclosed in note 5.6 to the consolidated financial statements.

7.9 Related party disclosures

The Company has taken the exemption permitted in FRS 101 not to disclose transactions with its wholly owned subsidiaries.

7.10 Commitments

The Company had no material lease or other commitments at 31 December 2021 (2020: None).

7.11 Directors' benefits

Details of the directors' emoluments, pension contributions and entitlements to share options and rights are set out in Note 2.4.

7.12 Controlling party

At 31 December 2021 the Company's immediate parent was Quintain Bailey Holdings Limited, registered address 44 Esplanade, St Helier, Jersey, JE4 9WG. The smallest and largest group in which results of the Company are consolidated are those headed by Quintain Finance Limited respectively, both incorporated in Jersey, registered address 44 Esplanade, St Helier, Jersey, JE4 9WG. Group financial statements of Quintain Finance Limited are available on request from 180 Great Portland Street, London W1W 5QZ. The ultimate controlling party is Lone Star Real Estate Fund IV Bailey Topco Limited, an entity incorporated in Bermuda.