

COMPANY NUMBER 09504386

T. BAILEY HOLDINGS LIMITED
ANNUAL REPORT & FINANCIAL STATEMENTS

◆ Year ended 30 September 2019 ◆

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CONTENTS OF THE ANNUAL REPORT

	Page
Company information	1
Directors' report	2-5
Independent Auditor's report to the members of T. Bailey Holdings Limited	6-8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the financial statements	12-17

COMPANY INFORMATION

Directors

N J Forman Hardy
P A Letley
Q J F Baer
M Hughes
T W B Forman Hardy

Company Secretary

Richard Taylor *Resigned 26/11/2019*
HP Secretarial Services *Appointed 25/11/2019*

Registered Office

64 St. James's Street
Nottingham
NG1 6FJ

Tel: 0115 988 8200
Fax: 0115 988 8222

Company Registration Number

09504386

Statutory Auditor

Deloitte LLP
Statutory Auditor
Birmingham
United Kingdom

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019

The Directors submit their annual report and the audited financial statements for the year ended 30 September 2019. The Director's report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Principal Activities

The principal activities is the holding company of the two trading subsidiaries T. Bailey Fund Services Limited and T. Bailey Asset Management Limited and will continue to do this for the foreseeable future.

Going Concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the review of the business within this directors' report.

The Group's/ company's forecasts and projections, taking account of potential changes in trading performance, show that the group/ company is able to operate within the level of its current resources. The group/ company has continued to be cash generative and is in a net assets and net current assets position. Further analysis has been completed for the Going Concern period to consider the effects of the current economic and societal impacts following the outbreak of the coronavirus COVID-19 in the UK and globally. The group has produced updated annual projections and performed sensitivity analysis. The key driver for group's performance is the group's/ company's Assets under Management ("AUM") and the revised forecast shows that even under severe and prolonged stress scenarios, the group will maintain sufficient liquidity and regulatory capital for a foreseeable future of at least 12 months from the date of this report. Cash flow forecasts also show that the group has sufficient available funds for the foreseeable future and as the nature of business is such that the profits and cash flows are closely related and the fact that the company has no external borrowing, the directors, therefore, have a reasonable expectation that the group/ company has adequate resources to continue in operational existence for the next 12 months and the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Results

The company loss for the year amounted to £148,000 (2018: nil). Net Assets are £1.247m (2018: £1.395m) No dividend is proposed to be distributed (2018: nil)

Directors

The directors who served during the year and up to the date of signing the financial statements are set out on page 1.

Indemnity cover

Third party indemnity cover for the director was in force during the financial year and at the year end.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019 (Continued)

Key risks and uncertainties

The key risks and uncertainties of T. Bailey Holdings Limited are linked directly to the performance of the two subsidiary companies T. Bailey Asset Management Limited and T. Bailey Fund Services Limited. Please see the financial statements of the respective companies for a detailed description of the individual risks and uncertainties faced.

Brexit

Following the Referendum held on 23 June 2016 concerning the UK's membership of the EU, a decision was taken to exit. We continue to experience a period of uncertainty in relation to many factors that impact the property investment markets in the future. The subsequent impact is on the NAV of funds under management

Public health risk

There is additional market and operational risk due to the current economic and societal impacts following the outbreak of the coronavirus Covid-19 in the UK and globally in late February and March 2020. The Directors expect this to affect the remainder of 2020 and recognise the increase in these risks on the business. Risk to employee health and wellbeing and reputational risk should also be considered.

The mitigants and controls applicable to these risks generally continue to apply in the unique situation of Covid-19 and further with the robust controls of the operation of the Company's/ group Business Continuity Plan, which includes minimisation of employee health risks, greater employee wellbeing monitoring, external and internal fraud controls, increased communications within and out of the Company and increased risk oversight and compliance monitoring.

Directors' Responsibilities Statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019 (Continued)

Directors' Responsibilities Statement (Continued)

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue business.

The directors confirm that the above requirements have been met in preparing the financial statements.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Awareness of relevant audit information

So far as the directors are aware, there is no relevant audit information of which the Auditor is unaware. The directors have taken all steps they ought to have to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's Auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Subsequent Events

In late 2019, individuals in Wuhan, China, were exposed to a new type of Coronavirus, COVID-19, a highly contagious respiratory illness. The virus quickly spread worldwide, causing the group, amongst all other non-essential financial institutions, to implement an indefinite work from home policy for most employees. These unique and unprecedented conditions have resulted in a volatile economic environment. The company's response in mitigating the impact of the outbreak has been outlined at page 3 of the Directors' Report.

The Directors consider the COVID-19 outbreak to be a non-adjusting post balance sheet event due to the worldwide spread of the virus, together with the corresponding economic impact and public health measures, occurring after the balance sheet date, rather than reflecting events or conditions in place as at 30 September 2019.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2019 (Continued)

Auditor

A resolution to re-appoint Deloitte LLP as auditor will be passed at the next board meeting.

Approval

The report of the directors was approved by the Board on ~~..16 September 2020..~~ and signed on its behalf by:



N J Forman Hardy
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T. BAILEY HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of T Bailey Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of T. Bailey Holdings Limited (the "company") which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

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

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T. BAILEY HOLDINGS LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in respect of these matters.

Responsibilities of Directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T. BAILEY HOLDINGS LIMITED (CONTINUED)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

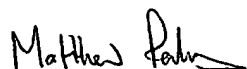
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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



Matthew Perkins FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
Date16 September 2020.

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 September 2019

	Notes	Year ended 30 September 2019	Year ended 30 September 2018
		£'000	£'000
Administrative expenses		(148)	-
Loss before taxation	3	(148)	-
Tax on loss	4	-	-
Loss for the financial year, attributable to the equity shareholders' of the Company		(148)	-

The results of the Company relate solely to continuing operations.

There are no recognised gains or losses in the year other than disclosed in the Statement of Comprehensive Income above.

The notes on pages 12 to 17 form an integral part of the financial statements.

BALANCE SHEET
as at 30 September 2019

	Notes	30 September 2019	30 September 2018
		£'000	£'000
Fixed assets			
Investments	5	3,495	3,495
		<u>3,495</u>	<u>3,495</u>
Creditors: Amounts falling due after one year	6	(2,248)	(2,100)
Net assets		<u>1,247</u>	<u>1,395</u>
Capital and reserves			
Called-up share capital	7	1,395	1,395
Profit & Loss Account		(148)	0
Shareholders' funds		<u>1,247</u>	<u>1,395</u>

The notes on pages 12 to 17 form an integral part of the financial statements.

The financial statements were approved and authorised for issue by the Board on 16 September 2020 and signed on its behalf by:



N J Forman Hardy
Director

Company no: 09504386

**STATEMENT OF CHANGES IN EQUITY
for the year ended 30 September 2019**

	Called up share capital £'000	Profit and loss account £'000	Total £'000
At 1 October 2017	1,395	-	1,395
Total comprehensive result for the year	-	-	-
At 30 September 2018	1,395	-	1,395
Total comprehensive loss for the year	-	(148)	(148)
At 30 September 2019	1,395	(148)	1,247

The notes on pages 12 to 17 form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2019

1. ACCOUNTING POLICIES

Basis of accounting

T. Bailey Holdings Limited ("the Company") is a private Company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1.

The financial statements have been prepared under the historical cost convention, and on a going concern basis in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) issued by the Financial Reporting Council. The functional currency of the Company is considered pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its ultimate parent, Nottingham Industrial Group Limited as per note 9. Exemptions have been taken in these separate Company financial statements in relation to financial instruments, related parties, presentation of a cash flow statement, and remuneration of key management personnel. The Company is exempt from preparing consolidated financial statements under s400 of the Companies Act 2006. Both of the Company's wholly owned subsidiaries, T. Bailey Fund Services Limited and T. Bailey Asset Management Limited, have the same registered office as the Company.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the review of the business on page 2 which forms part of the Directors' report.

The Group's/ company's forecasts and projections, taking account of potential changes in trading performance, show that the group/ company is able to operate within the level of its current resources. The group/ company has continued to be cash generative and is in a net assets and net current assets position. Further analysis has been completed for the Going Concern period to consider the effects of the current economic and societal impacts following the outbreak of the coronavirus COVID-19 in the UK and globally. The group has produced updated annual projections and performed sensitivity analysis. The key driver for group's performance is the group's/ company's Assets under Management ("AUM") and the revised forecast shows that even under severe and prolonged stress scenarios, the group will maintain sufficient liquidity and regulatory capital for a foreseeable future of at least 12 months from the date of this report. Cash flow forecasts also show that the group has sufficient available funds for the foreseeable future and as the nature of business is such that the profits and cash flows are closely related and the fact that the company has no external borrowing, the directors, therefore, have a reasonable expectation that the group/ company has adequate resources to continue in operational existence for the next 12 months and the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 30 September 2019

1. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

All financial assets and liabilities are initially measured at transaction price (including transaction costs). Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial

asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Investments

Investments held as fixed assets are stated at cost less provision for any permanent diminution in value.

Judgments in applying accounting policies and key sources of estimation uncertainty

The Directors have not identified any judgements made or key sources of estimation uncertainty in preparing these financial statements.

Other areas of focus

Impairment of investments

The Company reviews the carrying value of all investments for indications of impairment at each period end. If indicators of impairment exist, the carrying value of the asset is subject to further testing to determine whether its carrying value exceeds its recoverable amount. This process will usually involve the estimation of future cash flows, which are likely to be generated by the asset. There was no impairment during the year.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 30 September 2019

2. DIRECTORS AND EMPLOYEES

T. Bailey Holdings Limited has one employee (2018: one) including Directors and there has been no change in the number of employees during the current and preceding financial period.

	30 September 2019 £'000	30 September 2018 £'000
Directors' emoluments	136	0
	<u>136</u>	<u>0</u>

3. RESULT BEFORE TAXATION

Result before taxation includes fee for auditing financial statements of £450 (2018: £450).

4. TAXATION

The taxation expense for the year was £nil (2018: £nil).

5. INVESTMENTS

	£'000
Cost and carrying value: 30 September 2019 and 30 September 2018	3,495
	<u>3,495</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 30 September 2019**5. INVESTMENTS (Continued)**

At 30 September 2019 the Company held 100% of allotted share capital of the following Group undertakings:

Name	Registered address	Class of share capital held	Principal activity	Capital and reserves	Retained profit for the financial year
T. Bailey Fund Services Limited	64 St James's Street, Nottingham, NG1 6FJ	Ordinary	ACD and third party administrators	£2,440,000	£173,000
T. Bailey Asset Management Limited	64 St James's Street, Nottingham, NG1 6FJ	Ordinary	Management of Collective Investment Schemes	£4,339,000	£385,000

6. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	30 September 2019 £'000	30 September 2018 £'000
Amounts due to T. Bailey Asset Management Limited	2,232	2,100
Accruals	16	-
	<u>2,248</u>	<u>2,100</u>

The £2,100,000 loan with T. Bailey Asset Management limited is interest free and repayable on demand. The remaining amounts due to T. Bailey Asset Management Limited for £132,000 are T. Bailey Group recharges payable on demand which accrue no interest.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 30 September 2019

7. CALLED-UP SHARE CAPITAL

	30 September 2019 £'000	30 September 2018 £'000
Allotted, issued and fully paid		
240,386 ordinary shares of £1 each	240	240
102,485 ordinary B shares of £0.10 each	10	10
102,485 ordinary C shares of £0.10 each	10	10
1,134,618 non-redeemable preference shares of £1 each	1,135	1,135
	<hr/> 1,395	<hr/> 1,395

The ordinary shares entitle the holder to 1 vote per share and, on a return of capital, the amount paid up on each ordinary share, plus any share premium and an amount equal to any declared but unpaid dividends in respect of such shares.

8. RELATED PARTY DISCLOSURES

As a wholly owned subsidiary, the Company is exempt from the requirements of FRS 102 to disclose transactions with other members of the Group headed by Nottingham Industrial Group Limited.

9. PARENT COMPANY AND ULTIMATE PARENT UNDERTAKING

The company is an immediate subsidiary of Forman Hardy Holdings Limited, incorporated in the United Kingdom. Nottingham Industrial Group Limited is the company's ultimate parent, also incorporated in the United Kingdom and has the same registered office as the company.

As of 30 September 2019, the smallest and largest group of undertakings of which the company was a member and for which group financial statements will be drawn up was that headed by the ultimate parent undertaking Nottingham Industrial Group Limited, a company registered in England and Wales.

Copies of Nottingham Industrial Group Limited's consolidated financial statements can be obtained from the company secretary at 64 St. James's Street, Nottingham, United Kingdom, NG1 6FJ.

The ultimate controlling party is N J Forman Hardy.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
For the year ended 30 September 2019

10. Post Balance Sheet Events

In late 2019, individuals in Wuhan, China, were exposed to a new type of Coronavirus, COVID-19, a highly contagious respiratory illness. The virus quickly spread worldwide, causing the group, amongst all other non-essential financial institutions, to implement an indefinite work from home policy for most employees. These unique and unprecedented conditions have resulted in a volatile economic environment. The company's response in mitigating the impact of the outbreak has been outlined at page 3 of the Directors' Report.

The Directors consider the COVID-19 outbreak to be a non-adjusting post balance sheet event due to the worldwide spread of the virus, together with the corresponding economic impact and public health measures, occurring after the balance sheet date, rather than reflecting events or conditions in place as at 30 September 2019.