

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements

For the year ended 31 December 2021

Company Registration No. 09504426



QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

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QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Company Information

Directors

Rick De Blaby

Emma Parr

Registered office

6th Floor Lansdowne House

Berkeley Square

London

W1J 6ER

United Kingdom

Auditors

Ernst & Young LLP

1 More London Place

London

SE1 2AF

United Kingdom

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Directors' Report

The Directors present the annual report and the audited financial statements for the year ended 31 December 2021.

Directors

The Directors who served during the year, and at the date of this report were:

- Rick De Blaby
- Gregory John Hyatt (resigned 31 August 2021)
- Emma Parr (appointed 27 July 2021)

Principal activities

The principal activity of the Company is to provide financing to subsidiary companies.

Results and dividends

The loss for the year amounted to £nil (9 month period ended 31 December 2020: £3.2m).

The Directors do not recommend a payment of an ordinary dividend for the year (9 month period ended 31 December 2020: £nil).

Principal risks and uncertainties

The Company finances its activities with a loan from an intermediate parent company and therefore is exposed to the following financial and market risks:

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company aims to mitigate liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Directors' Report (continued)

Principal risks and uncertainties (continued)

Currency risk

The Company has no significant assets or liabilities denominated in currencies other than Pounds Sterling and was therefore not exposed to currency risk at the statement of financial position date.

Interest rate risk

There is no interest rate risk because all loans have fixed rates.

Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered cash flow requirements for the period to 30 June 2023 (the "going concern period").

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Get Living PLC. The Directors have received confirmation that Get Living PLC will support the Company for a period until 30 June 2023, which is a period of at least one year after the date these financial statements are approved and signed. The Company's ability to meet its future liabilities is therefore dependent on the financial performance and position of the Get Living PLC Group as a whole (the "PLC Group"). The Directors have carried out a review, including consideration of appropriate forecasts, which indicate that the Company will have adequate resources to continue to trade for the going concern period based on the ongoing liquidity of the PLC Group.

At a PLC Group level, considerations included potential risks and uncertainties in the business, credit, market, property valuation and liquidity risks, including the availability and repayment profile of bank facilities and shareholder facilities, as well as forecast covenant compliance. In addition, the Directors considered the potential future risks of economic uncertainty related to macro-economic events, including the current crisis in Ukraine, climate change risks and further COVID-19 outbreaks.

Further stress testing involving downside scenarios has been carried out to ensure the PLC Group has sufficient cash resources to continue in operation for the going concern period. The PLC Group has also evaluated potential events and conditions beyond the going concern period that may cast significant doubt on the going concern assessment, specifically, the ability of the PLC Group to secure or extend existing facilities. The Directors are of the view that they have a realistic prospect of securing this financing. Based on this, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 December 2021.

Directors' statement as to disclosure of information to auditors

The Directors who were members of the Board at the time of approving the Directors' Report are shown above. Having made enquiries of fellow Directors and of the Company's auditor, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no information (that is, information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware; and
- each Director has taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Directors' Report (continued)

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditor of the Company is to be proposed at the forthcoming Annual General Meeting.

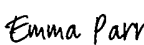
Director indemnity insurance

The Company has in place appropriate Directors' and Officers' liability insurance cover in respect of potential legal action against its Directors. These indemnities are qualifying third-party indemnity provisions as defined by Section 234 of the Companies Act 2006. The indemnities were valid throughout the year and are currently valid.

Small companies' exemption

In preparing the report and financial statements, the Directors have taken advantage of the small companies' exemption provided under the Companies Act 2006. The Directors have also taken advantage of the exemption provided under Section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 for the requirement to produce a Strategic Report for the year.

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

DocuSigned by:

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Emma Parr

Director

Date: 23 June 2022

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the *going concern basis* unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of QDD EV N06/N08 Holdco 1 Limited

Opinion

We have audited the financial statements of QDD EV N06/N08 Holdco 1 Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period until 30 June 2023, which is a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of QDD EV N06/N08 Holdco 1 Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

Independent Auditor's Report to the Members of QDD EV N06/N08 Holdco 1 Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

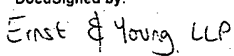
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice)) and the relevant tax regulations in the United Kingdom.
- We understood how QDD EV N06/N08 Holdco 1 Limited is complying with those frameworks by enquiry with management, and by identifying the policies and procedures regarding compliance with laws and regulations. We also identified those members of management who have the primary responsibility for ensuring compliance with laws and regulations, and for reporting any known instances of non-compliance to those charged with governance.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by reviewing the Company's risk register, enquiry with management during the planning and execution phases of our audit.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved the following:
 - Inquire of members of senior management, and when appropriate, those charged with governance regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements.
 - Reading minutes of meetings of those charged with governance.
 - Obtaining and reading correspondence from legal and regulatory bodies including HMRC.
 - Performing journal entry testing.

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

Use of our report

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

DocuSigned by:

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Daniel Saunders (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
24 June 2022

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Statement of Comprehensive Income**

		Year ended 31 December 2021	Period ended 31 December 2020
	Notes	£000	£000
Administrative expenses		-	(5)
Impairment of investment in subsidiary	8	-	(3,202)
Operating loss	4	-	(3,207)
Interest receivable and similar income	5	2,338	1,760
Interest payable and similar cost	6	(2,338)	(1,760)
Loss on ordinary activities before taxation		-	(3,207)
Taxation	7	-	-
Loss for the year/period		-	(3,207)
Other comprehensive income		-	-
Total comprehensive loss for the year/period		-	(3,207)


QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Statement of Financial Position**

		31 December 2021	31 December 2020
	Notes	£000	£000
Non-current assets			
Investments in subsidiary	8	7,668	6,000
Loan to subsidiary	9	30,050	22,380
		37,718	28,380
Creditors: amounts falling due within one year	10	(12)	(12)
Net current liabilities		(12)	(12)
Total assets less current liabilities		37,706	28,368
Creditors: amounts falling due after more than one year	11	(30,050)	(22,380)
Net assets		7,656	5,988
Capital and reserves			
Share capital	12	-	-
Other equity reserve	13	24,163	22,495
Retained earnings		(16,507)	(16,507)
Total equity		7,656	5,988

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The notes on pages 13 to 20 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors for issue on 22 June 2022 and were signed on its behalf by:

DocuSigned by:

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 Emma Parr

Director

Company Registration No. 09504426

23 June 2022

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Statement of Changes in Equity**

	Share capital	Other equity reserve	Retained earnings	Total equity
	£000	£000	£000	£000
As at 1 April 2020	-	22,495	(13,300)	9,195
Other equity contributions	-	-	-	-
Total comprehensive loss for the period	-	-	(3,207)	(3,207)
As at 31 December 2020	-	22,495	(16,507)	5,988
Other equity contributions	-	1,668	-	1,668
Total comprehensive loss for the year	-	-	-	-
As at 31 December 2021	-	24,163	(16,507)	7,656

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Notes to the financial statements

1. Statement of compliance with FRS 101

These Company financial statements were prepared in accordance with Financial Reporting Standard 101 “Reduced Disclosure Framework” (FRS 101), and in accordance with the Companies Act 2006.

2. Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2021. The financial statements have been prepared for the year to 31 December 2021, with the comparative period being for the 9 month period to 31 December 2020 following a change in financial year end of the Company. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000), except when otherwise indicated.

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

- the requirements of IFRS 7 Financial Instruments: Disclosures - the management of financial risk disclosures including management of credit, liquidity, and market risk and interest rate sensitivity analysis;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement— disclosures around fair values of assets and liabilities;
- the requirement in paragraph 38 of IAS 1 ‘Presentation of Financial Statements’ to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 16, 111 and 134-136 of IAS 1 Presentation of Financial Statements – presentation of statement of cash flows, explicit and unreserved statement of compliance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors — disclosure of new accounting standards and interpretations that have been issued but are not yet effective;
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures – disclosure relating to compensation of key management personnel; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between the parent and wholly-owned subsidiaries.

Exemption from preparing group financial statements

The Company is a wholly owned subsidiary of Get Living PLC, a company incorporated in England and Wales, which prepares consolidated financial statements. Therefore the Company is exempted under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The financial statements present information about the Company alone and not about its Group.

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Notes to the financial statements (continued)

2. Basis of preparation (continued)

Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered cash flow requirements for the period to 30 June 2023 (the "going concern period").

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Get Living PLC. The Directors have received confirmation that Get Living PLC will support the Company for a period until 30 June 2023, which is a period of at least one year after the date these financial statements are approved and signed. The Company's ability to meet its future liabilities is therefore dependent on the financial performance and position of the Get Living PLC Group as a whole (the "PLC Group"). The Directors have carried out a review, including consideration of appropriate forecasts, which indicate that the Company will have adequate resources to continue to trade for the going concern period based on the ongoing liquidity of the PLC Group.

At a PLC Group level, considerations included potential risks and uncertainties in the business, credit, market, property valuation and liquidity risks, including the availability and repayment profile of bank facilities and shareholder facilities, as well as forecast covenant compliance. In addition, the Directors considered the potential future risks of economic uncertainty related to macro-economic events, including the current crisis in Ukraine, climate change risks and further COVID-19 outbreaks.

Further stress testing involving downside scenarios has been carried out to ensure the PLC Group has sufficient cash resources to continue in operation for the going concern period. The PLC Group has also evaluated potential events and conditions beyond the going concern period that may cast significant doubt on the going concern assessment, specifically, the ability of the PLC Group to secure or extend existing facilities. The Directors are of the view that they have a realistic prospect of securing this financing. Based on this, together with available market information and the Directors' knowledge and experience of the Company, the Directors continue to adopt the going concern basis in preparing the financial statements for the year ended 31 December 2021.

3. Summary of significant accounting policies

a) New and amended standards and interpretations effective in current financial period

There were several new standards and amendment to the standards and interpretations which are applicable for the first time in the year ended 31 December 2021, but these are either not relevant or do not have a material impact on the financial statements of the Company.

b) Interest income

Interest income is recognised in the income statement on the basis of the effective interest rate.

c) Taxes

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax is the expected tax payable on any non-REIT taxable profits for the period, using tax rates applicable at the balance sheet date, and any adjustment to tax payable in respect of previous years.

QDD EV N06/N08 Holdco 1 Limited

Annual report and financial statements for the year ended 31 December 2021

Notes to the financial statements (continued)

3. Summary of significant accounting policies (continued)

d) Investment in subsidiary

The investment in subsidiary is shown at cost less provision for impairment. Impairment exists when the carrying value of an investment in subsidiary exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The underlying net assets of the subsidiary are deemed to be the recoverable amount. Subsidiaries are entities controlled by the Company.

e) Financial Instruments: Classification and Measurement

Trade and other receivables are classified as financial assets at amortised cost in line with IFRS 9. They are initially measured at fair value and then subsequently measured at amortised cost. Classification is determined by the nature of the cash flows of the assets and the business model in which they are held. The impairment requirements are based on a forward-looking expected credit loss (ECL) model. IFRS 9 requires the Company to recognise an allowance for ECLs for all financial assets not held at fair value through profit or loss.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings which are held at amortised costs.

f) Interest free loans

Receivables and payables for interest free intercompany loans are recognised when the Company becomes party to the related contracts and are measured initially at the fair value represented by the present value of future cash flows discounted at the market rate of interest at the date of the initial drawdown. Where the Company is the borrower, an Other equity reserve is recognised, being the difference between the present value of future cash flows and the consideration advanced. Where the Company is the lender, an increase in the cost of the investment in subsidiary is recognised, being the difference between the present value of future cash flows and the consideration advanced.

After initial recognition, interest free intercompany loans are subsequently measured at amortised cost using the effective interest method. The discount between the redeemable amount and the net proceeds is accreted over the term of the loan and charged or credited to the statement of comprehensive income.

Where there is an early repayment of an interest free intercompany loan, a fair value adjustment is made to the loan balance with the other side being to reduce either the cost of the investment in the subsidiary where the entity is the lender or the Other equity reserve where the entity is the borrower.

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Notes to the financial statements (continued)****4. Operating result**

Operating result is stated after charging:

	Year ended 31 December 2021	Period ended 31 December 2020
	£000	£000
Auditor's remuneration	-	4

An audit fee of £5k for the year ended 31 December 2021 has been borne by QDD Athletes Village UK Limited, another group company (period ended 31 December 2020: £nil).

The company had no employees during the year (period ended 31 December 2020: nil).

Directors' remuneration

The Directors received total remuneration for their services to the Get Living PLC Group for the year ended 31 December 2021 of £1.0m (period ended 31 December 2020: £0.6m), all of which was paid by Get Living London Limited, a subsidiary of Get Living PLC. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as directors of fellow subsidiary companies.

5. Interest receivable and similar income

	Year ended 31 December 2021	Period ended 31 December 2020
	£000	£000
Imputed interest on interest free intercompany loan to subsidiary	2,338	1,760
	2,338	1,760

6. Interest payable and similar cost

	Year ended 31 December 2021	Period ended 31 December 2020
	£000	£000
Imputed interest on interest free intercompany loan from parent undertakings	2,338	1,760
	2,338	1,760

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Notes to the financial statements (continued)****7. Taxation**

	Year ended 31 December 2021	Period ended 31 December 2020
	£000	£000
Current tax charge	-	-
	-	-
Factors affecting the tax charge for the year:		
Loss before taxation	-	(3,207)
Loss before taxation multiplied the main rate of UK corporation tax of 19% (December 2020: 19%)	-	(609)
<i>Effect of:</i>		
Losses not recognised	-	1
Imputed interest income not taxable for tax purposes	(444)	(334)
Imputed interest expense not deductible for tax purposes	444	334
Impairment of investments	-	608
Tax charge	-	-

The Company is part of a UK Real Estate Investment Trust (REIT) and is subject to taxation as such. As a result, the Company does not pay United Kingdom corporation tax on the profits and gains from its qualifying rental business in the United Kingdom provided it meets the certain conditions. Non-qualifying profits and gains of the Company continue to be subject to corporation tax as normal.

The Company has unrecognised deferred tax assets at 31 December 2021 in respect of tax losses carried forward of £2k (31 December 2020: £2k). These deferred tax assets have not been recognised on the basis that it is not sufficiently certain that suitable taxable profits within the residual business will arise against which to offset them.

The Finance Bill 2021 was substantively enacted in May 2021 which increases the main rate of corporation tax from 19% to 25% from 1 April 2023.

8. Investments in subsidiaries

	31 December 2021	31 December 2020
	£	£
Shares in group undertakings	1	1

The Company owns 100% of the ordinary share capital of QDD EV N06/N08 Holdco 2 Limited, which is incorporated in England and Wales.

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Notes to the financial statements (continued)****8. Investments in subsidiaries (continued)**

	<u>31 December 2021</u>	<u>31 December 2020</u>
	£000	£000
Opening balance	6,000	9,202
Issue of interest free loan	1,668	-
Impairment of investment in subsidiary	-	(3,202)
Closing balance	<u>7,668</u>	<u>6,000</u>

The investment in subsidiaries balance of £6.0m as at 31 December 2020 was as a result of fair value adjustments made to interest free intercompany loans, offset by historic impairment losses. During the year ended 31 December 2021, the Company issued further drawdowns on this loan of £7.0m to QDD EV N06/N08 Holdco 2 Limited, the fair value adjustment on which was £1.7m which was recognised as an investment in subsidiary.

The Directors believe that the carrying value of the investments is supported by their underlying net assets. After an assessment of net recoverable amount of the investment in QDD EV N06/N08 Holdco 2 Limited no impairment has been recognised for the year ended 31 December 2021 (31 December 2020: £3.2m).

9. Loan to subsidiary

	<u>31 December 2021</u>	<u>31 December 2020</u>
	£000	£000
Intercompany loan to subsidiary – interest free	<u>30,050</u>	<u>22,380</u>

Reconciliation of movement during the year

	<u>£000</u>
Opening balance	22,380
Issue of interest free loan	7,000
Fair value adjustment on issue of interest free loan (note 8)	(1,668)
Imputed interest charge	2,338
Closing balance	<u>30,050</u>

The loan to subsidiary, QDD EV N06/N08 Holdco 2 Limited, relates to an interest free loan repayable in November 2024. The drawdowns on this loan have been fair valued at the net present value of future cash flows, using the market rate of interest at the date of the drawdown being 10%. The total loan principal as at the balance sheet date is £38.4m (31 December 2020: £31.4m), with £24.1m (31 December 2020: £18.7m) recognised at drawdown as a loan receivable and £14.3m (31 December 2020: £12.7m) as an investment in subsidiaries. The loan receivable balance includes £6.0m (31 December 2020: £3.7m) of rolled up finance income (see note 5). The Company has considered the recoverability of the loans to subsidiaries at the reporting date based on the expected credit loss model. The expected credit loss calculated is immaterial to the Company.

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Notes to the financial statements (continued)****10. Creditors: amounts falling due within one year**

	<u>31 December 2021</u>	<u>31 December 2020</u>
	£000	£000
Accruals	-	5
Amounts due to group undertakings	12	7
	<u>12</u>	<u>12</u>

Amounts due to group undertakings are unsecured, interest free and repayable on demand. Amounts due to group undertakings include amounts arising from operational transactions within the Get Living PLC Group.

11. Creditors: amounts falling due after more than one year

	<u>31 December 2021</u>	<u>31 December 2020</u>
	£000	£000
Intercompany loan from parent – interest free	30,050	22,380

Reconciliation of movement during the year

	<u>£000</u>
Opening balance	22,380
Issue of interest free loan	7,000
Fair value adjustment on issue of interest free loan (note 13)	(1,668)
Imputed interest charge	2,338
Closing balance	<u>30,050</u>

The loan from the intermediate parent undertaking, QDD Athletes Village UK Limited, relates an interest free loan repayable in November 2024. This loan was measured initially at the fair value represented by the present value of future cash flows discounted at the market rate of interest at the date of the initial drawdown. The total loan principal as at the balance sheet date is £38.4m (31 December 2020: £31.4m), with £24.1m (31 December 2020: £18.7m) recognised at drawdown as a loan payable and £14.3m (31 December 2020: £12.7m) as an Other equity reserve. The loan payable balance includes £6.0m (31 December 2020: £3.7m) of rolled up finance expense (see note 6).

12. Share capital

	<u>31 December 2021</u>	<u>31 December 2020</u>
	£	£
<i>Allotted, called up share capital</i>		
1 Ordinary Shares of £1 each	<u>1</u>	<u>1</u>

Holders of Ordinary Shares are entitled to one vote per share. The shares are unpaid for the current financial period. The Company is authorised to issue unlimited shares.

QDD EV N06/N08 Holdco 1 Limited*Annual report and financial statements for the year ended 31 December 2021***Notes to the financial statements (continued)****13. Other equity reserve**

	31 December 2021	31 December 2020
	£000	£000
Opening balance	22,495	22,495
Issue of interest free loan	1,668	-
Closing balance	24,163	22,495

The Other equity reserve balance of £22.5m as at 31 December 2020 was as a result of fair value adjustments made for the interest free intercompany loan. During the year ended 31 December 2021, the Company made further drawdowns on this loan of £7.0m, which were fair valued resulting in £1.7m being recognised within the Other equity reserve. This balance is non-distributable.

14. Related party disclosures

The Company's immediate and ultimate parent undertakings were QDD EV2 Investment UK Limited and Get Living PLC respectively.

At 31 December 2021, Get Living PLC was jointly controlled as follows:

- (i) By DOOR SLP, a limited partnership registered and incorporated in Jersey; and
- (ii) By QD UK Holdings LP, a limited partnership registered and incorporated in Scotland; and
- (iii) By Stichting Depositary APG Strategic Real Estate Pool, a pension fund asset manager based in the Netherlands.

Get Living PLC is the smallest group to consolidate these financial statements.

Transactions between the Company and its group entities are summarised in note 5, 6, 8, 9, 10, 11 and 13.

15. Commitments

There were no commitments as at 31 December 2021 (31 December 2020: £nil).

16. Contingent liabilities

There were no contingent liabilities as at 31 December 2021 (31 December 2020: £nil).

17. Subsequent Events

There have been no events or conditions since the balance sheet date that indicate any adjustment would be required to the financial statements.