

LIBERTY LIVING (LIBERTY PP) LIMITED
Company Number 03991475

Unaudited Financial Statements
For the year ended 31 December 2021

TUESDAY



ABJA33GI

A19

20/12/2022

#265

COMPANIES HOUSE

LIBERTY LIVING (LIBERTY PP) LIMITED

CONTENTS

For the year ended 31 December 2021

Directors' Report	1
Directors' Responsibilities Statement	3
Profit and Loss Account	4
Balance Sheet	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7

LIBERTY LIVING (LIBERTY PP) LIMITED

Registered number: 03991475

DIRECTORS' REPORT

For the year ended 31 December 2021

The Directors of Liberty Living (Liberty PP) Limited (the 'Company') present their unaudited Financial Statements for the year ended 31 December 2021. This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. Accordingly, the Directors have elected to take advantage of the exemption from preparing a Strategic report.

PRINCIPAL ACTIVITY

The principal activity of the Company is to invest in student accommodation in the United Kingdom. The directors expect to continue to carry out these activities in the future.

DIRECTORS

The Directors set out below held office during the period and to the date of this report unless otherwise stated:

J Lister	
D Faulkner	(resigned 20 th September 2022)
C Szpojnarowicz	
M Burt	(appointed 20 th September 2022)
N Hayes	(appointed 20 th September 2022)

SECRETARY

The Secretary set out below held office during the period and to the date of this report unless otherwise stated:

C Szpojnarowicz

REPORTING PERIOD

The financial statements presented are for the year ended 31 December 2021. The prior period reported the 16-month period to the 31st December 2020 and therefore the prior period comparatives are not entirely comparable to the current period.

GOING CONCERN

The Company is part of The Unite Group plc ('Unite') from which it receives working capital funding. Unite has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company, and in particular, will not seek repayment of the amounts currently made available. In determining the Company's Going Concern assessment the Directors have, therefore, considered the wider Unite Group's future performance.

The Directors have considered a range of scenarios for future performance through the remainder of the 2021/22 and 2022/23 academic years, with a focus on forecast liquidity and ICR covenant performance. This included a base case assuming cash collection and performance for the 2021/22 academic year remains in line with current trends and a return to 97% occupancy for the 2022/23 academic year; and a reasonable worst case scenario where income for the 2022/23 academic year was impacted by reduced sales broadly equivalent to the 2020/21 academic year where occupancy was 88%. Under each of these scenarios, the Directors are satisfied that the Group has sufficient liquidity and will maintain covenant compliance over the next 12 months.

To further support the Directors going concern assessment, a 'Reverse Stress Test' was performed to determine the level of performance at which adopting the going concern basis of preparation may not be appropriate. This involved assessing the minimum amount of income required to ensure financial covenants would not be breached. Within the tightest covenant, occupancy could fall to approximately 60% before there would be a breach.

LIBERTY LIVING (LIBERTY PP) LIMITED

DIRECTORS' REPORT (CONTINUED)

As at 31 December 2021

GOING CONCERN (CONTINUED)

As at the date of this report, whilst the global outlook as a result of Covid-19 is improving, it continues to be uncertain and the range of potential outcomes is significant. In particular, should the impact on trading conditions be more prolonged or severe than currently forecast by the Directors, namely if there is a further sustained national lockdown that results in Universities not opening physically and students either not arriving at University or returning home, the Group's going concern status may be dependent on its ability to seek interest cover covenant waivers from its lenders. The Directors are satisfied that the possibility of such an outcome is sufficiently remote that adopting the going concern basis of preparation is appropriate.

Accordingly, after making enquiries and having considered forecasts and appropriate sensitivities, the Directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of authorisation of these financial statements.

PRIOR PERIOD CORRECTIONS

The prior period balance sheet has been restated due to an error in the classification of the intercompany loan balances for 2020.

The prior period profit and loss account and balance sheet have been restated due to a change in accounting policy for the valuation of subsidiaries.

See Note 1 and Note 3 to these financial statements for more details on these corrections.

Approved by the Board of Directors on 20th October 2022 and signed on its behalf by:



.....
J Lister
Director

LIBERTY LIVING (LIBERTY PP) LIMITED

Registered number: 03991475

DIRECTORS' RESPONSIBILITIES STATEMENT

For the year ended 31 December 2021

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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

LIBERTY LIVING (LIBERTY PP) LIMITED

STATEMENT OF PROFIT AND LOSS As at 31 December 2021

	Note	Year ended 31 December 2021	16-month period ended 31 December 2020 as restated
		£000	£000
Turnover	3	964	3,250
Cost of sales		(12)	(1,206)
Gross profit		952	2,044
Administrative expenses		(620)	-
Revaluation gain on investments (as restated)	9	35	36
Revaluation profit/(loss) on investment property	8	205	(8,388)
Operating profit/(loss)	4	572	(6,308)
Interest payable and similar expenses	6	-	(104)
Profit/(loss) before tax		572	(6,412)
Tax on profit/(loss)	7	-	-
Profit/(loss) for the period		572	(6,412)

All items in the above statement derive from continuing operations.

There are no items of other comprehensive income for either period and accordingly no statement of comprehensive income has been presented.

The accompanying notes form an integral part of these Financial Statements.

LIBERTY LIVING (LIBERTY PP) LIMITED

BALANCE SHEET

As at 31 December 2021

		31 December 2021	31 December 2020 <i>as restated</i>
	Note	£000	£000
Fixed assets			
Investment property	8	31,797	31,484
Investments in subsidiaries (as restated)	9	469	434
Amounts due from group undertakings (as restated)	10	3,892	2,924
		36,158	34,842
Current assets			
Debtors due within one year (as restated)	11	-	12
		-	12
Creditors: amounts falling due within one year	12	(5,529)	(918)
Net current liabilities		(5,529)	(906)
Total assets less current liabilities		30,629	33,936
Creditors: amounts falling due after more than one year	12	(9,358)	(13,237)
Net assets		21,271	20,699
Capital and reserves			
Called up share capital	13	3	3
Profit and loss account (as restated)		21,268	20,696
Equity Shareholder's funds		21,271	20,699

The accompanying notes form an integral part of these Financial Statements.

For the period ended 31 December 2021 the company was entitled to exemption from audit under section 479a of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

The financial statements were approved by the board of directors and authorised for issue on 20th October 2022. They were signed on its behalf by:



.....
J Lister
Director

LIBERTY LIVING (LIBERTY PP) LIMITED

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2021

	Share capital	Profit and loss account as restated	Total
	£000	£000	£000
At 31 August 2019 (as restated) (Audited)	3	27,108	27,111
Profit for the period (as restated)	-	(6,412)	(6,412)
Total comprehensive income (as restated)	-	(6,412)	(6,412)
At 31 December 2020 (Unaudited) (as restated)	3	20,696	20,699
Profit for the year	-	572	572
Total comprehensive income	-	572	572
At 31 December 2021 (Unaudited)	3	21,268	21,271

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS **For the year ended 31 December 2021**

1. ACCOUNTING POLICIES

The Financial Statements are prepared in accordance with accounting standards applicable in the United Kingdom and the functional and presentational currency of the Company is pounds sterling (£). They have all been applied consistently throughout both the current and prior period. The particular accounting policies adopted are described below.

General information and basis of accounting

Liberty Living (Liberty PP) Limited is a private company limited by shares under the Companies Act 2006 and registered in England and Wales. The address of the registered office is South Quay, Temple Back, Bristol, BS1 6FL. The nature of the Company's operation and its principal activities are set out in the Directors' report.

The financial statements have been prepared under the going concern basis, historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The Company is included in the consolidated financial statements of The Unite Group Plc which may be obtained at South Quay, Temple Back, Bristol, United Kingdom, BS1 6FL. The Company meets the definition of a qualifying entity under FRS 102 and therefore has taken advantage of the disclosure exemptions in relation to financial instruments, the presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

These financial statements present information for the 12 month period to 31 December 2021. The prior period was for the 16 month period to the 31st December 2020 and therefore the prior period comparatives are not entirely comparable to the current period.

Turnover

Turnover, which relates to the provision of student accommodation, represents rental income which is accounted for on an accruals basis. Rental income received in advance is recognised as deferred income on the balance sheet and recognised as turnover over the rental contract term to which it relates. Turnover is stated net of VAT and is wholly derived from the United Kingdom.

Administrative expenses

Administrative expenses are recognised on an accruals basis.

Interest payable and similar expenses

Interest payable is charged on accruals basis using the effective interest rate method.

Investment property

Investment properties for which fair value can be measured reliably without undue costs or effort on an ongoing basis are measured at fair value annually with any change recognised in the profit and loss account. Incremental costs of replacement or redevelopment incurred are capitalised and separately disclosed.

Acquisition costs are treated as part of the cost of a property and have, therefore, been taken into account when calculating any gain or loss arising on the revaluation of investment properties recognised through the profit and loss account.

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

ACCOUNTING POLICIES (CONTINUED)

Investment in subsidiaries

Investments in subsidiaries are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value, with reference to the net asset value which is considered to approximate fair value, at each reporting date.

See Note 3 to these financial statements for further details.

Taxation

As a REIT, UK property rental profits and gains on disposal of UK investment properties are exempt from UK tax with the exception of certain non-core income streams. The Company pays UK corporation tax on the profits from its non-core income streams.

The tax charge for the period is recognised in the profit and loss account and the statement of comprehensive income, according to the accounting treatment of the related transaction. The tax charge comprises both current and deferred tax. Current tax, being UK corporation tax on the residual business (i.e. non-core income streams), is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements. As a REIT, rental profits and gains on disposal of investment properties are exempt from corporation tax. As a result, no deferred tax provision has been recognised at the balance sheet date in respect of property rental assets (revaluation gains and accelerated capital allowances).

A deferred tax asset is regarded as recoverable and therefore unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries, except where the group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

ACCOUNTING POLICIES (CONTINUED)

Financial instruments

The Company's financial instruments comprise cash at bank and in hand and bank overdrafts, trade and other debtors and creditors and intercompany balances. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Financial assets and liabilities

All financial assets and liabilities are initially measured at fair value and subsequently measured at amortised cost. Financial assets are generally derecognised when the contractual rights to the cash flows from the financial asset expire or are settled. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Share premium account

The premium receivable on the issue of shares is credited to the share premium account.

Fair value

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, an entity estimates the fair value by using a valuation technique.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss. For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Going Concern

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £5,529,000, which the directors believe to be appropriate for the following reasons.

The Company is dependent for its working capital on funds provided to it by The Unite Group plc ('Unite'). Unite has provided the Company with an undertaking that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company, and in particular, will not seek repayment of the amounts currently made available. As with any entity placing reliance on other group entities for financial support, the Company acknowledges that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this understanding the directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence; thus they continue to adopt the going concern basis in preparing the financial statements.

Further details can be found in the Directors' Report on pages 1 and 2.

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

ACCOUNTING POLICIES (CONTINUED)

Prior period corrections

The prior period balance sheet has been restated due to an error in the classification of *intercompany loan balances between fixed and current assets*.

In the previous period intercompany amounts totalling £2,924,000 were classified as current assets when they are fixed assets, since they are intended for use on a continuing basis.

The resulting impact of the restatement has been to increase loans to group undertakings in fixed assets by £2,924,000 and to decrease debtors in current assets by £2,924,000.

There has been no change in the 2020 profit or net asset in respect of this correction.

The impact of the change in accounting policy has been to increase prior year gain in investment in subsidiaries by £434,000 and to increase prior year investment in subsidiaries by £434,000. There has been no impact on tax as investment gains and losses are not subject to tax.

The profit and loss account and the net assets have increased by £434,000 in 2020 as a result of this correction.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the accounting policies in note 1, the carrying amounts of certain assets and liabilities are arrived at using judgements, estimates and assumptions that are not readily apparent from other sources. These are summarised below:

Estimate

Investment properties

The Company's investment properties are carried at their fair value as at the reporting date, key estimates used in arriving at the valuation include rents, occupancy, yield and facility management costs. Further information regarding the valuation process is included in note 7.

Judgement

Valuation of subsidiaries

The valuation of subsidiary undertakings involves significant judgement as the valuation requires an assessment of the fair value of all the underlying assets and liabilities of the subsidiary. An changes to the assumptions made could have a significant impact on the carrying value of these assets.

3. CHANGES IN ACCOUNTING POLICY

The valuation of investments in subsidiaries was changed during the year to align with The Unite Group plc accounting policies.

In prior periods investments in subsidiaries were valued at cost less provisions for impairments. The investment was assessed each year for impairments. The change in policy results in subsidiaries being valued at fair value, with changes in fair value being processed through the profit and loss account.

The accounting policy change is voluntary, and has been applied retrospectively across these accounts.

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

4. TURNOVER AND OPERATING PROFIT/(LOSS)

	Year ended 31 December 2021	16-month period ended 31 December 2020 as restated
	£000	£000
Revaluation gain on investment in subsidiaries (as restated)	(35)	(36)
Revaluation (gain)/loss on investment properties	(205)	8,388
Contingent rent relating to student rental operations recognised as turnover	(964)	(3,250)

The company's financial statements were exempt from audit in both the current or prior period, thus no fees were payable.

5. EMPLOYEES AND DIRECTORS REMUNERATION

Directors' remuneration was borne by another group company in both periods. Directors have not performed any qualifying services for this entity during the period.

The Company has no employees in the current period or prior year.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

Interest payable and similar expenses includes:

	Year ended 31 December 2021	16-month period ended 31 December 2020
	£000	£000
Interest on Group related party loans	-	104
	-	104

7. TAX ON (LOSS)/PROFIT

The current tax charge for the period is £nil (2020: £nil)

The taxation charge that would arise at the standard rate of UK corporation tax is reconciled to the actual tax charge below. The reconciliation below has been calculated at the main rate of corporation tax of 19% (2020: 19%).

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

TAX ON (LOSS)/PROFIT (CONTINUED)

	Year ended 31 December 2021	16-month period ended 31 December 2020 as restated
	£000	£000
(Loss)/profit before tax	572	(6,412)
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19.00% (2020:19.00%)	109	(1,218)
Effects of:		
Non-taxable REIT income	(63)	(369)
Property revaluations not subject to tax	(39)	1,594
Investment gains and losses not subject to tax	(7)	(7)
Total tax credit	-	-

8. INVESTMENT PROPERTY

	Investment property at cost	Property revaluation	Total
	£000	£000	£000
At 31 December 2020	25,057	6,427	31,484
Property additions	108	-	108
Revaluation in period	-	205	205
At 31 December 2021	25,165	6,632	31,797

The Company's investment property is owned through a freehold interest.

Capital expenditure additions represent enhancements across the portfolio to secure yields and secure the value of the assets.

The Group's investment properties are valued at market value at the balance sheet date of 31 December 2021 by Knight Frank LLP, an independent firm of professional property valuers which is regulated by the Royal Institution of Chartered Surveyors ('RICS'). The Valuation was conducted in accordance with RICS Valuation - Global Standards 2017, which incorporate the International Valuation Standards, and the RICS UK National Supplement effective from January 2020. References to the "Red Book" refer to either or both of these documents, as applicable.

Knight Frank employs an investment approach to derive the valuation of the properties. Income generated from a property is capitalised using market initial yields derived, where possible, from comparable market transactions. Knight Frank value on a property-by-property basis, using their expertise to assess individual assumptions including rents, occupancy, yields and facility management costs. The value of the investment property is affected by the conditions prevailing in the property investment market and the general economic environment. Accordingly, the Company's net asset value can change due to external factors beyond management's control.

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

9. INVESTMENTS

Investment in subsidiary

	31 December 2021	31 December 2020 as restated
	£000	£000
Investment in subsidiary as at 31 December 2020 (as restated)	434	398
Revaluation (as restated)	35	36
As at 31 December 2021	469	434

Details of the 100% directly owned subsidiary in which the Company holds ordinary shares is as follows:

Company Name	Country of incorporation	Principal activity
Liberty Prospect Point (Liverpool) Limited	United Kingdom	Operate student accommodation

The registered office of the Company's subsidiary is South Quay, Temple Back, Bristol, BS1 6FL.

10. AMOUNTS DUE FROM GROUP UNDERTAKINGS (as restated)

	31 December 2021	31 December 2020 as restated
	£000	£000
Amounts due from group undertakings (as restated)	3,892	2,924
	3,892	2,924

Amounts due from group undertakings are repayable on demand but are intended for use on a continuing basis.

11. DEBTORS WITHIN ONE YEAR (as restated)

	31 December 2021	31 December 2020 as restated
	£000	£000
Trade debtors	-	12
	-	12

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2021

12. CREDITORS

	31 December 2021 £000	31 December 2020 £000
Amounts owed to Group related undertakings	1,650	918
Loans owed to Group related undertakings	3,879	-
Creditors: amounts due within one year	5,529	918
Loans owed to Group related undertakings	9,358	13,237
Creditors: amounts due after one year	9,358	13,237

The amounts owed to group related undertakings are repayable on demand, interest free and unsecured.

On 28 November 2017 the Company received £13,237,000 from a related group undertaking in the form of three loans, summarised in the table below:

	Amount £000	Maturity	Interest rate %
Loan A	3,879	03/11/2022	Libor plus 1.98%
Loan B	4,665	28/11/2024	Fixed 3.01%
Loan C	4,693	28/11/2029	Fixed 3.60%
	<u>13,237</u>		

Prior to the acquisition of the Liberty Living Group by Unite, interest was charge on the three long term loans made by related group undertakings at varying rates. As part of the integration of the Liberty Living Group's policies and procedures to match that of the Unite Group, management have decided that no interest would be charged on these intercompany loans.

13. SHARE CAPITAL

Allotted, called up and fully paid

	31 December 2021 £	31 December 2020 £
Ordinary £1 share	3,002	3,002

The Company has one class of ordinary share which carry no right to fixed income.

LIBERTY LIVING (LIBERTY PP) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) For the year ended 31 December 2021

14. RESERVES

Called up share capital

Called up share capital reserves contains the nominal value of the shares issued.

Share premium

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss reserves

Profit and loss reserves represents cumulative profits and losses, net of distributions and other adjustments.

15. CONTROLLING PARTIES

The Company's immediate parent company is Liberty Living II Holdco Limited, a company incorporated and registered in England and Wales.

The company's ultimate parent undertaking is The Unite Group plc. The largest and smallest group in which the results of the company are consolidated is that headed by The Unite Group plc. The consolidated accounts of the this company are available to the public and can be obtained from the registered office, South Quay, Temple Back, Bristol, BS1 6FL.

16. OTHER FINANCIAL COMMITMENTS

On 28 November 2017, Liberty Living Finance plc had issued two £300m bond tranches with maturities of seven and twelve years respectively. The Company, along with other Group related undertakings, has irrevocably and unconditionally, jointly and severally, guaranteed to meet the obligations of Liberty Living Finance plc with respect to the amounts borrowed in the event Liberty Living Finance plc fails to meet its obligations when they fall due.

The Company became guarantor of the £450m Unite Group plc Facilities Agreement in September 2021 and remains a guarantor of the Unite Bonds, and certain Unite subsidiaries remain as guarantors of the Liberty Living (HE) Holdings Group bonds. On 27 May 2021 the Company became a guarantor of a note purchase agreement issued by The Unite Group plc for £150m, maturing on 27 May 2031. This new borrowing helped refinance the repayment of bank facilities that Unite Group plc repaid in September 2021, facilities that had also been guaranteed by the Company.

17. OPERATING LEASES

The future minimum lease payments receivable under non-cancellable operating leases are as follows:

	31 December 2021 £000	31 December 2020 £000
Within one year	1,376	1,136
Between two and five years	354	530
	<u>1,730</u>	<u>1,666</u>