

Company Registration No. 10113365 (England and Wales)

BERKLEY CARE (CHESHAM) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
PAGES FOR FILING WITH REGISTRAR

BERKLEY CARE (CHESHAM) LIMITED

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BERKLEY CARE (CHESHAM) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020	
				as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		9,708,620		8,871,016
Investments	4		1		-
			<u>9,708,621</u>		<u>8,871,016</u>
Current assets					
Debtors	5	821,309		228,917	
Cash at bank and in hand		7,288		19,556	
		<u>828,597</u>		<u>248,473</u>	
Creditors: amounts falling due within one year	6	(10,807,989)		(274,815)	
Net current liabilities			<u>(9,979,392)</u>		<u>(26,342)</u>
Total assets less current liabilities			<u>(270,771)</u>		<u>8,844,674</u>
Creditors: amounts falling due after more than one year	7		-		(8,843,320)
Net (liabilities)/assets			<u><u>(270,771)</u></u>		<u><u>1,354</u></u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			(270,871)		1,254
Total equity			<u><u>(270,771)</u></u>		<u><u>1,354</u></u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 22 June 2022 and are signed on its behalf by:

Mr Andrew Winstanley
Director

Company Registration No. 10113365

BERKLEY CARE (CHESHAM) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
As restated for the period ended 31 March 2020:			
Balance at 1 April 2019	100	(250,659)	(250,559)
Effect of prior year adjustment	-	111,053	111,053
	<hr/>	<hr/>	<hr/>
As restated	100	(139,606)	(139,506)
Year ended 31 March 2020:			
Profit and total comprehensive income for the year	-	140,860	140,860
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2020	100	1,254	1,354
Year ended 31 March 2021:			
Loss and total comprehensive income for the year	-	(272,125)	(272,125)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	<u>100</u>	<u>(270,871)</u>	<u>(270,771)</u>

BERKLEY CARE (CHESHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Berkley Care (Chesham) Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Pavilion, Ashlyns Hall, Chesham Road, Berkhamsted, HP4 2ST.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

The turnover shown in the profit and loss account represents amounts invoiced for rent during the period. Rental income from the property is recognised on a straight line basis over the expected term of ongoing leases. Lease incentives and stop rents with minimum or fixed uplifts are spread evenly over the expected lease term.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% Straight Line
Plant and equipment	10% Straight Line
Fixtures and fittings	25% Straight Line
Motor vehicles	25% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

BERKLEY CARE (CHESHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Leases - The Company as Lessor

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company has determined that it retains all the significant risks and rewards of ownership of the properties and accounts for the contracts as operating leases.

1.9 Going Concern

The main risk from Covid-19 for the company is that the tenants of the properties do not pay their rent. Under the terms of the leases there is good visibility on the current trading of the tenant businesses and see increasing occupancy driven by; new residents seeking a safer environment in which to be cared for and increased demand for beds from NHS / local authorities for patients that need to be discharged from hospitals to free up beds. With this increased occupancy the company are seeing increased profitability and the company would therefore expect tenants to remain in a strong position to continue to pay their rent on time, as they have done to date.

The company's directors have produced forecasts supporting the going concern assumption used in the preparation of these financial statements. In addition, the parent company has confirmed to the directors it will not seek to recall the loan owed to the parent until the company has sufficient cash reserves to do so. In assessing the risks posed to the going concern assumptions, a set of detailed forecasts have been prepared that show the effects of various scenarios in the company. Based on the forecasts noted above and the continued support from the parent company, the Directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation of the company having adequate resources to continue in operational existence for the foreseeable future. The Directors have prepared the financial statements on a going concern basis.

BERKLEY CARE (CHESHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Total	7	8

3 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 April 2020	8,955,987	-	8,955,987
Additions	1,347,429	-	1,347,429
Transfers	(2,725,497)	2,725,497	-
At 31 March 2021	7,577,919	2,725,497	10,303,416
Depreciation and impairment			
At 1 April 2020	84,971	-	84,971
Depreciation charged in the year	88,289	421,536	509,825
Transfers	(70,256)	70,256	-
At 31 March 2021	103,004	491,792	594,796
Carrying amount			
At 31 March 2021	7,474,915	2,233,705	9,708,620
At 31 March 2020	8,871,016	-	8,871,016

For the period ended 31 March 2020 no depreciation was charged on freehold property, based on the estimated residual value of the asset.

4 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	1	-

BERKLEY CARE (CHESHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4	Fixed asset investments	(Continued)	
	Movements in fixed asset investments		Shares in subsidiaries £
	Cost or valuation		
	At 1 April 2020		-
	Additions		1
			<hr/>
	At 31 March 2021		1
			<hr/>
	Carrying amount		
	At 31 March 2021		1
			<hr/>
	At 31 March 2020		-
			<hr/>
5	Debtors	2021	2020
		£	£
	Amounts falling due within one year:		
	Amounts owed by group undertakings	821,309	-
	Other debtors	-	228,917
		<hr/>	<hr/>
		821,309	228,917
		<hr/>	<hr/>
6	Creditors: amounts falling due within one year	2021	2020
		£	£
	Trade creditors	22,790	-
	Amounts owed to group undertakings	10,733,199	-
	Other creditors	52,000	274,815
		<hr/>	<hr/>
		10,807,989	274,815
		<hr/>	<hr/>
7	Creditors: amounts falling due after more than one year	2021	2020
		£	£
	Bank loans and overdrafts	-	8,843,320
		<hr/>	<hr/>

BERKLEY CARE (CHESHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary of 10p each	1,000	1,000	100	100

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Lorna Watson and the auditor was Shaw Gibbs (Audit) Limited.

10 Operating lease- The Company as Lessor

Lessor

The future minimum lease receivable by the Company under operating leases as at 31 March 2021 are as follows:

	2021 £	2020 £
Within one year	685,850	628,696
Between two and five years	2,743,399	2,514,783
In over five years	10,116,285	11,087,905
	<u>13,545,534</u>	<u>14,231,384</u>

The company's lease is provided for fixed rents which are reviewed on an upward only annual basis. The rent reviews are directly linked to inflation or on a fixed basis; and have long contractual terms.

11 Related party transactions

As a wholly owned subsidiary undertaking of Korian SA, the company has taken advantage of the exemption in FRS 102 Section 33.1A and has not disclosed transactions with entities which form part of the group and they are owned 100% by the parent company.

12 Parent company

On the 3rd March 2021 the entire share capital of Berkley Care (Chesham) Limited was purchased by Korian Real Estate UK Limited, a company registered in The Pavilion, Ashlyns Hall, Chesham Road, Berkhamsted, England, HP4 2ST. As a result, Korian SA which is the ultimate parent company of Korian Real Estate UK Limited, became the ultimate parent company of Berkley Care (Chesham) Limited. Korian SA is a company registered in France, the group financial statement can be obtained from 21-25, Rue Balzac Paris, 75008 France.

BERKLEY CARE (CHESHAM) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Prior period adjustment

Reconciliation of changes in equity

	31 March 2019 £	31 March 2020 £
Adjustments to prior year		
To account for rent received	-	228,617
Loan interest expensed incorrectly	111,053	314,669
Depreciation in respect of prior year	-	(84,971)
	<hr/>	<hr/>
Total adjustments	111,053	458,315
Equity as previously reported	(250,559)	(456,961)
	<hr/>	<hr/>
Equity as adjusted	(139,506)	1,354
	<hr/>	<hr/>

Analysis of the effect upon equity

Profit and loss reserves	111,053	458,315
	<hr/>	<hr/>

Reconciliation of changes in (loss)/profit for the previous financial period

	2019 £	2020 £
Adjustments to prior year		
To account for rent received	-	228,617
Loan interest expensed incorrectly	111,053	314,669
Depreciation in respect of prior year		(84,971)
	<hr/>	<hr/>
Total adjustments	111,053	458,315
Loss as previously reported	(250,659)	(317,455)
	<hr/>	<hr/>
(Loss)/Profit as adjusted	(139,606)	140,860
	<hr/>	<hr/>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.