

**CARE UK BRISTOL LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 30 SEPTEMBER 2020**



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## CARE UK BRISTOL LIMITED

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### COMPANY INFORMATION

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**Directors**

J Calow (appointed 31 October 2019)  
A Knight (appointed 29 March 2019)  
R Pearman (appointed 29 March 2019)  
M Rosenberg (appointed 29 March 2019)  
M R Parish (appointed 29 March 2019, resigned 31 October 2019)  
P Whitecross (appointed 29 March 2019, resigned 31 October 2019)

**Registered number**

11914423

**Registered office**

Connaught House  
850 The Crescent  
Colchester Business Park  
Colchester  
Essex  
CO4 9QB

**Independent auditor**

KPMG LLP  
Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR

**Banker**

National Westminster Bank  
10 Station Road  
Clacton-on-Sea  
CO15 1TA

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**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

The directors present their report and the financial statements for the 15 month period ended 30 September 2020. The long period is necessary to align group accounting periods.

**Principal activity**

Care UK Bristol Limited ("the company") is a subsidiary of Care UK Property Limited and was incorporated 29th March 2019 in order to provide a residential Care home for lease to Care UK Community Partnerships Limited. As part of the acquisition of the Silver Sea group by the company's Ultimate parent Care UK Property Holdings Limited a fully operational care home was transferred from Silver Sea Murrayfield S.A.R.L on 31 October 2019.

**Business review**

Care UK Bristol Limited owns a fully operational care home, the lease demands an inflationary uplift every year. Using the rental income the company makes interest and loan repayments on a quarterly basis. Between the start of the loan on 31 October 2019 and the financial year end 30 September 2020 the loan decreased by repayments of £214,000.

The onset of Covid 19 has had a minimal impact on the operations of the company, Revenue for the rental income is generated from lease with Care UK Community Partnerships Limited which, despite seeing an impact from Covid, is still showing strong trading results.

**Results and dividends**

The profit for the period, after taxation, amounted to £223,000.

No Dividend was paid during the financial year from Care UK Bristol Limited.

**Directors**

The directors who served during the period were:

J Calow (appointed 31 October 2019)  
A Knight (appointed 29 March 2019)  
R Pearman (appointed 29 March 2019)  
M Rosenberg (appointed 29 March 2019)  
M R Parish (appointed 29 March 2019, resigned 31 October 2019)  
P Whitecross (appointed 29 March 2019, resigned 31 October 2019)

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## CARE UK BRISTOL LIMITED

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### DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2020

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#### Principal risks and uncertainties

##### Covid-19

During the financial period ending 30 September 2020, the world has been fighting the Covid-19 virus pandemic. As reported extensively in the media the care sector together with the NHS has been at the forefront of this and the impact has been significant.

As at the date of signing the accounts, the UK has emerged from the 3rd national lockdown, and the rollout of a vaccination programme is well progressed, however precautionary measures and restrictions remain in place. Whilst there has been limited direct impact on the Care UK Property Holdings Limited group as a result of Covid-19, save for short delays to construction programmes following restrictions imposed on the construction industry during the first national lockdown, there is a potential indirect impact on the group as a result of its cross dependency with the rest of the Care UK Group ("Care UK") including the group's tenant Care UK Community Partnerships Limited.

The impact of the virus has had a significant impact on Care UK's profitability and cashflow. Care UK obtained support in the form of a bank financial covenant waiver for its leverage covenant until September 2021, and a liquidity injection of up to £15m from the bank in the form of PIK interest on the term loan, matched by a further £15m internal transfer from the cash reserves of Care UK Property Holdings Limited. As at 30 September 2020 £10.5m had been transferred.

Based on the above bank support to Care UK, the Directors believe that it remains appropriate to prepare the financial statement on a going concern basis. Nevertheless, the Directors consider the downside risks of COVID-19 on Care UK's occupancy levels and cashflows to represent a material uncertainty that may cast doubt on the group and company's ability to continue as a going concern, due to the cross dependency of financing and rental arrangements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate

##### Credit Risk

The Company is part of the Care UK Property Holdings Limited group & the main financial asset of the group is cash. We limit the credit risk associated with cash balances by only using banks with high credit ratings assigned by international credit ratings agencies. The directors of the group have secured a £120m loan facility (split across two reputable banking institutions) in order to continue development activities. They continue to monitor cash requirements closely.

##### Liquidity Risk

The group monitors cash on a daily basis and produces regular cashflow forecasts. The objective being to ensure an overall neutral or positive cashflow to ensure sufficient liquidity is available to meet forecasted needs. The directors continuously review and monitor the risks the group faces. It is our goal that any changes in our risk profile are identified early so actions can be taken to manage the group's exposure at the earliest possible opportunity.

##### Disclosure of information to auditor's

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor's is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor's is aware of that information.

**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**Post balance sheet events**

There have been no significant events affecting the Group between the year end and the signing of these financial statements.

**Auditor**

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 28 June 2021 and signed on its behalf.



M Rosenberg  
Director

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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The directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARE UK BRISTOL LIMITED**

### **Opinion**

We have audited the financial statements of Care UK Bristol Limited ("the company") for the period ended 30th September 2020 which comprise the Profit and Loss Account, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

### **Basis for opinion**

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

### **Material uncertainty related to going concern**

We draw attention to note 2.3 to the financial statements which indicates the downside risks of COVID-19 on the group's occupancy levels and cashflows and the impact this might have on the group's ability to meet its bank covenants. These events and conditions, along with other matters explained in note 2.3, constitute a material uncertainty that may cast significant doubt on the group's and the parent company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE UK BRISTOL LIMITED (CONTINUED)**

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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 take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

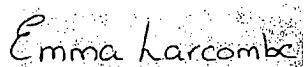
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit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

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARE UK BRISTOL LIMITED (CONTINUED)**

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

This report is made solely to the company's members, as a body, in accordance with 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.



**Emma Larcombe (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP Statutory Auditor**  
**Chartered Accountants**

Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR

28 June 2021

**CARE UK BRISTOL LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

		<b>15 months to 30 September 2020 £000</b>	<i>3 months to 30 June 2019 £000</i>
	<b>Note</b>		
Turnover		<b>703</b>	-
<b>Gross profit</b>		<b>703</b>	-
Administrative expenses		<b>(379)</b>	-
<b>Operating profit</b>		<b>324</b>	-
Interest payable and similar expenses		<b>(35)</b>	-
<b>Profit before tax</b>		<b>289</b>	-
Tax on profit	6	<b>(66)</b>	-
<b>Profit for the financial period</b>		<b>223</b>	-

The notes on pages 12 to 23 form part of these financial statements.

**CARE UK BRISTOL LIMITED**  
**REGISTERED NUMBER: 11914423**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2020**

	Note	30 September 2020 £000	30 June 2019 £000
<b>Fixed assets</b>			
Tangible assets	7	14,306	-
		<u>14,306</u>	<u>-</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	8	458	-
Debtors: amounts falling due within one year	8	286	-
Cash at bank and in hand	9	5	-
		<u>749</u>	<u>-</u>
Creditors: amounts falling due within one year	10	(7,053)	-
<b>Net current (liabilities)/assets</b>		<u>(6,304)</u>	<u>-</u>
<b>Total assets less current liabilities</b>		<u>8,002</u>	<u>-</u>
Creditors: amounts falling due after more than one year	11	(7,713)	-
<b>Provisions for liabilities</b>			
Deferred tax	13	(66)	-
		<u>(66)</u>	<u>-</u>
<b>Net assets</b>		<u><u>223</u></u>	<u><u>-</u></u>
<b>Capital and reserves</b>			
Profit and loss account		223	-
		<u><u>223</u></u>	<u><u>-</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 June 2021.

  
M Rosenberg  
Director

The notes on pages 12 to 23 form part of these financial statements.

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**CARE UK BRISTOL LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>Comprehensive income for the period</b>			
Profit for the period	-	223	223
	<hr/>	<hr/>	<hr/>
<b>Other comprehensive income for the period</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the period</b>	-	223	223
	<hr/>	<hr/>	<hr/>
<b>Total transactions with owners</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>At 30 September 2020</b>	-	223	223
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 12 to 23 form part of these financial statements.

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**CARE UK BRISTOL LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 JUNE 2019**

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	<b>Total equity £000</b>
<b>Other comprehensive income for the year</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>-</b>
<b>Total transactions with owners</b>	<b>-</b>

The notes on pages 12 to 23 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**1. General information**

Care UK Bristol Limited is a private company, limited by shares and is incorporated and domiciled in England and Wales.

The company is also a wholly owned subsidiary of Care UK Property Limited, which is also registered and domiciled in England and Wales..

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

**2.2 Financial reporting standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Care UK Property Holdings Limited as at 30th September 2020 and these financial statements may be obtained from Connaught House 850 The Crescent. Colchester Business Park. Colchester. Essex. CO4 9QB..

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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**2. Accounting policies (continued)**

**2.3 Going concern**

The financial statements have been prepared on the going concern basis, notwithstanding net current liabilities of £6,304,000. The parent undertaking, Care UK Property Holdings Limited, has indicated its intention to continue to make available such funds that it will provide the necessary financial support, by making funds available and not seeking repayment of amounts currently made available if it would put them into financial difficulty, as is needed by the company to settle any amounts for the foreseeable future and specifically within at least 12 months of the signed date of these accounts. The directors consider that this should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge 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.

The directors consider the company able to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Whilst there has been limited direct impact on the group as a result of Covid-19, save for short delays to construction programmes following restrictions imposed on the construction industry during the first national lockdown, there is a potential indirect impact on the group as a result of its cross dependency with the rest of the Care UK Group ("Care UK") including the group's tenant Care UK Community Partnerships Limited.

The impact of the virus has had a significant impact on Care UK's profitability and cashflow. Care UK obtained support in the form of a bank financial covenant waiver for its leverage covenant until September 2021, and a liquidity injection of up to £15m from the bank in the form of PIK interest on the term loan, matched by a further £15m internal transfer from the cash reserves of Care UK Property Holdings Limited. As at 30 September 2020 £10.5m had been transferred.

Based on the above bank support to Care UK, the Directors believe that it remains appropriate to prepare the financial statement on a going concern basis. Nevertheless, the Directors consider the downside risks of COVID-19 on Care UK's occupancy levels and cashflows to represent a material uncertainty that may cast doubt on the group and company's ability to continue as a going concern, due to the cross dependency of financing and rental arrangements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

**2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rents received represent amounts due for the occupation of Care UK Bristol Limited property under operating leases. The agreement for lease and development contains an obligation on Care UK Bristol Limited to grant, and an obligation on Care UK Community Partnerships Limited to accept, a lease of the relevant site.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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**2. Accounting policies (continued)**

**2.5 Operating leases: the Company as lessor**

Rentals income from operating leases is credited to profit or loss on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

**2.6 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2.8 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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**2. Accounting policies (continued)**

**2.9 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% on Cost, Less Residual Value of 30% or 10 years
Fixtures and fittings	- 7 years
Computer equipment	- 3 years
Other fixed assets	- No depreciation is charged

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

As Care UK Bristol Limited leases the property to another company in the Group, section 16.4A(b) of FRS102 has been applied and accounts for the property using the cost model in line with FRS 102 section 17 (Property, Plant and Equipment).

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.12 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.13 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

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**2. Accounting policies (continued)**

**2.13 Financial instruments (continued)**

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements in conformity with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year then ended. Management bases its estimates on historical experience and various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

Estimates are used in accounting for allowances for uncollectable receivables, depreciation, amortisation and impairment, pensions, taxes, provisions, and contingencies. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the financial statements in the year that an adjustment is determined to be required.

Management regularly discusses with the Group Audit Committee the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates.

Significant accounting judgements in applying the Company's accounting policies have been applied by the Company in order to prepare the consolidated financial statements with respect to the value of tangible assets (note 7).

**Tangible assets**

The group assesses tangible fixed assets where there are indications that the assets could be impaired. Indicators of impairment include factors internal and external to the organisation that suggest the asset's value may have declined. The calculation uses as estimate of rental yield to value the asset and this is compared to it's carrying value in the financial statements.

**4. Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<b>4</b>	<b>-</b>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

**5. Employees**

No staff were directly employed by the Company for the period ended 30 September 2020.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**6. Taxation**

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
<b>Total current tax</b>	<u>-</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<u>66</u>	<u>-</u>
<b>Total deferred tax</b>	<u>66</u>	<u>-</u>
<b>Taxation on profit on ordinary activities</b>	<u>66</u>	<u>-</u>

**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	<b>2020</b>	<b>2019</b>
	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before tax	<u>289</u>	<u>-</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	<u>55</u>	<u>-</u>
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<u>56</u>	<u>-</u>
Group relief	<u>(45)</u>	<u>-</u>
<b>Total tax charge for the period/year</b>	<u>66</u>	<u>-</u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges.

**CARE UK BRISTOL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**7. Tangible fixed assets**

	<b>Freehold property £000</b>	<b>Fixtures and fittings £000</b>	<b>Computer equipment £000</b>	<b>AICC £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>					
Additions	-	-	-	2,017	2,017
Transfers intra group	12,593	7	-	47	12,647
Transfers between classes	1,385	673	6	(2,064)	-
At 30 September 2020	<u>13,978</u>	<u>680</u>	<u>6</u>	<u>-</u>	<u>14,664</u>
<b>Depreciation</b>					
Charge for the period on owned assets	303	53	2	-	358
At 30 September 2020	<u>303</u>	<u>53</u>	<u>2</u>	<u>-</u>	<u>358</u>
<b>Net book value</b>					
At 30 September 2020	<u>13,675</u>	<u>627</u>	<u>4</u>	<u>-</u>	<u>14,306</u>
At 30 June 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Bank loan interest of £491,000 has been capitalised in the asset as perscriberd in the facility agreement. Intercompany loan interest of £385,000 has been capitaliesd, interest was charged at 8%.

# CARE UK BRISTOL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2020

### 8. Debtors

	30 September 2020 £000	30 June 2019 £000
<b>Due after more than one year</b>		
Other debtors	458	-
	<u>458</u>	<u>-</u>
<b>Due within one year</b>		
Trade debtors	197	-
Other debtors	89	-
	<u>286</u>	<u>-</u>

### 9. Cash and cash equivalents

	30 September 2020 £000	30 June 2019 £000
Cash at bank and in hand	5	-
	<u>5</u>	<u>-</u>

### 10. Creditors: Amounts falling due within one year

	30 September 2020 £000	30 June 2019 £000
Bank loans	553	-
Amounts owed to group undertakings	6,262	-
Accruals and deferred income	238	-
	<u>7,053</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**11. Creditors: Amounts falling due after more than one year**

	<b>30 September 2020 £000</b>	<i>30 June 2019 £000</i>
Bank loans	<b>7,713</b>	-
	<b>7,713</b>	-

The amounts owed to group undertakings are unsecured, repayable on demand and carry no interest.

**12. Loans**

The loan have been secured on the company's care home asset. All loans are due for repayment by August 2022. All interest expensed relates to interest on the bank loan.

Analysis of the maturity of loans is given below:

	<b>30 September 2020 £000</b>	<i>30 June 2019 £000</i>
<b>Amounts falling due within one year</b>		
Bank loans	<b>552</b>	-
	<b>552</b>	-
 Bank loans	 <b>7,714</b>	 -
	<b>7,714</b>	-
	<b>8,266</b>	-



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

13. Deferred taxation

	2020 £000
Charged to profit or loss	(66)
<b>At end of year</b>	<b>(66)</b>

The deferred taxation balance is made up as follows:

	30 September 2020 £000	30 June 2019 £000
Accelerated capital allowances	(66)	-
	<b>(66)</b>	<b>-</b>

14. Share capital

	30 September 2020 £	30 June 2019 £
<b>Allotted, called up and fully paid</b>		
1 (2019 - 1) Ordinary share of £1	1	1

15. Contingent liabilities

On 30th August 2019, Care UK Property Holdings Limited entered into a 3 year facility agreement with external lenders, to provide financing for development activity. The total facility amounts to £120million and the interest payable on this facility is in the range 2.5%-3.5% above LIBOR depending on the stage of the development.

Each individual property company under the umbrella of Care UK Property Holdings Limited accedes to the loan separately once several conditions has been met. Individual loans only become repayable at the end of each interest period once the property company has started generating rental income.

At the balance sheet date, £8,265,000 has been drawn on the loan.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2020**

**16. Commitments under operating leases**

At 30 September 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>30 September 2020 £000</b>	<i>30 June 2019 £000</i>
Not later than 1 year	<b>794</b>	-
Later than 1 year and not later than 5 years	<b>3,176</b>	-
Later than 5 years	<b>15,084</b>	-
	<b>19,054</b>	-

**17. Related party transactions**

The Company has a related party relationship with its Parent and with its directors and executive officers.

**Parent and Subsidiaries**

The group centrally manages its financing arrangements. Amounts are transferred within the group, dependent on the operational needs of individual companies. The directors do not consider it meaningful to set out the gross amounts of transfers between individual companies. Similarly the directors do not consider it meaningful to set out the interest and dividend payments made within the group as these are a function of the group's central financing arrangements. There are no provisions or expenses recognised for doubtful debts with subsidiary undertakings.

**Key Management and Personnel**

The group and company have identified key management personnel as being the directors of the company and the members of the executive committee. All key personnel are remunerated through other companies.

**Trading**

During the period rental income of £703,000 Was received from Care UK Community Partnerships Ltd, as a related party, due to being owned by a common parent company Care UK Holdings Ltd.

**18. Controlling party**

The company is a wholly owned subsidiary of Care UK Property limited, which is registered in England and Wales.

The company's ultimate parent company is Care UK Property Holdings Limited, which is registered in England and Wales. The ultimate controlling party is Bridgepoint Europe IV (Nominees) Limited which is managed by Bridgepoint Advisers Limited.

Copies of the financial statements of Care UK Property Holdings Limited, which includes the consolidated results of Care UK Property Limited group which include this company, are available from the company's registered office at Connaught House, 850 The Crescent, Colchester Business Park, Colchester, Essex, CO4 9QB