

Registration number: 10748576

Barchester Finco 2017 UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2020



Barchester Finco 2017 UK Limited

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Barchester Finco 2017 UK Limited

Company Information

Directors	Pete Calveley Mark Hazlewood
Registered office	3rd Floor, The Aspect 12 Finsbury Square London EC2A 1AS
Auditor	KPMG LLP Chartered Accountants Salt Quay House 6 North East Quay Plymouth PL4 0HP

Barchester Finco 2017 UK Limited

Strategic Report for the Year Ended 31 December 2020

The Directors present their strategic report for the year ended 31 December 2020.

Principal activity

The principal activity of Barchester Finco 2017 UK Limited ("the Company") is that of an intermediary holding company within the Grove Limited group ("the Group").

Fair review of the business

The results for the period are set out in the profit and loss account on page 10. The Directors are satisfied with the Company's results.

The Company operates under the Barchester group brand. Barchester commands a leading position in the UK long term care sector. The business provides in excess of 15,000 registered beds, spread across its portfolio of over 230 high quality services (including nursing homes and domiciliary care) and 6 hospitals with a national footprint across the UK, the largest proportion located within London and the South East and the remainder evenly spread through the UK.

The key performance measures that the Board use to monitor Barchester's progress against its objectives are:

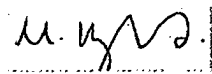
- Quality of care, the health and well-being of our residents;
- Occupancy levels;
- Fee levels;
- EBITDA and EBITDA per bed;
- Margin; and
- Staff agency and cost.

Barchester's strategy is one of continued growth through extension of existing facilities, acquisitions of nursing homes of a suitable quality, and development of newly built care homes. Barchester is especially focused on the private pay market.

Principal risks and uncertainties

The Directors consider changes in the base rate of interest to be a risk to the Company. To mitigate this risk, the bank debt is always fully hedged using an interest rate swap which fixes the rate payable by the Company at 5.1524% per annum.

Approved by the Board on 5 July 2021 and signed on its behalf by:



Mark Hazlewood
Director

Barchester Finco 2017 UK Limited

Directors' Report for the Year Ended 31 December 2020

The Directors present their report and the financial statements for the year ended 31 December 2020.

Directors of the Company

The Directors who held office during the year were as follows:

Pete Calveley

Mark Hazlewood

Dividends

The Directors recommend no final dividend payment be made in respect of the period ended 31 December 2020.

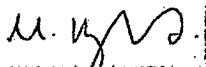
Going concern

The Directors have reasonable expectation that the Group and Company have adequate resources to continue in operation for the foreseeable future. The Directors believe that it is appropriate to prepare the financial statements on a going concern basis. Further details are in note 2 to the financial statements.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 5 July 2021 and signed on its behalf by:



Mark Hazlewood
Director

Barchester Finco 2017 UK Limited

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and the 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use 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.

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 responsible for 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Barchester Finco 2017 UK Limited

Independent Auditor's Report to the Members of Barchester Finco 2017 UK Limited

Opinion

We have audited the financial statements of Barchester Finco 2017 UK Limited (the 'Company') for the year ended 31 December 2020, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, 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 31 December 2020 and of its loss for the year 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.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Barchester Finco 2017 UK Limited

Independent Auditor's Report to the Members of Barchester Finco 2017 UK Limited (continued)

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management and directors
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the simplistic nature of income transactions and that the value of transactions is immaterial to the wider Group.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by senior finance management, journals with unusual combinations, unusual cash journals, and journal entries containing specific wording
- Evaluated the business purpose of significant unusual transactions
- Assessing significant accounting estimates for bias

Barchester Finco 2017 UK Limited

Independent Auditor's Report to the Members of Barchester Finco 2017 UK Limited (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery law and certain aspects of company legislation, recognising the financial and regulated nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Barchester Finco 2017 UK Limited

Independent Auditor's Report to the Members of Barchester Finco 2017 UK Limited (continued)

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.

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

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

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.

Barchester Finco 2017 UK Limited

Independent Auditor's Report to the Members of Barchester Finco 2017 UK 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.

Ian Brokenshire

Ian Brokenshire (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Salt Quay House
6 North East Quay
Plymouth
PL4 0HP

Date: 9 July 2021

Barchester Finco 2017 UK Limited

Profit and Loss Account for the Year Ended 31 December 2020

	Note	2020 £ 000	2019 £ 000
Administrative expenses		-	(42)
Operating loss		-	(42)
Net loss on interest rate swap at fair value through profit and loss account		(3,316)	(1,295)
Interest receivable and similar income	3	6,044	6,190
Interest payable and similar charges	4	(9,470)	(7,899)
		(6,742)	(3,004)
Loss before tax		(6,742)	(3,046)
Taxation	7	-	-
Loss for the financial year		(6,742)	(3,046)

The above results were derived from continuing operations.

The notes on pages 14 to 22 form an integral part of these financial statements.

Barchester Finco 2017 UK Limited

Statement of Comprehensive Income for the Year Ended 31 December 2020

	2020	2019
	£ 000	£ 000
Loss for the year	<u>(6,742)</u>	<u>(3,046)</u>
Total comprehensive loss for the year	<u><u>(6,742)</u></u>	<u><u>(3,046)</u></u>

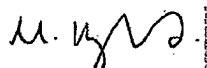
The notes on pages 14 to 22 form an integral part of these financial statements.

Barchester Finco 2017 UK Limited

(Registration number: 10748576)
Balance Sheet as at 31 December 2020

	Note	2020 £ 000	2019 £ 000
Fixed assets			
Investments	8	13,915	13,857
Current assets			
Debtors	9	138,849	116,904
Cash at bank and in hand		<u>7,501</u>	<u>36,266</u>
		146,350	153,170
Creditors: Amounts falling due within one year	10	<u>(9,716)</u>	<u>(6,305)</u>
Net current assets		<u>136,634</u>	<u>146,865</u>
Total assets less current liabilities		150,549	160,722
Creditors: Amounts falling due after more than one year	10	<u>(162,238)</u>	<u>(165,669)</u>
Net liabilities		<u>(11,689)</u>	<u>(4,947)</u>
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		<u>(11,689)</u>	<u>(4,947)</u>
Total equity		<u>(11,689)</u>	<u>(4,947)</u>

Approved and authorised by the Board on 5 July 2021 and signed on its behalf by:



Mark Hazlewood
Director

Barchester Finco 2017 UK Limited

Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital	Profit and loss	Total
	£ 000	account	£ 000
	£ 000	£ 000	£ 000
At 1 January 2020	-	(4,947)	(4,947)
Loss for the year	-	(6,742)	(6,742)
Total comprehensive income	-	(6,742)	(6,742)
At 31 December 2020	-	(11,689)	(11,689)

	Share capital	Profit and loss	Total
	£ 000	account	£ 000
	£ 000	£ 000	£ 000
At 1 January 2019	-	(1,901)	(1,901)
Loss for the year	-	(3,046)	(3,046)
Total comprehensive income	-	(3,046)	(3,046)
At 31 December 2019	-	(4,947)	(4,947)

The notes on pages 14 to 22 form an integral part of these financial statements.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

The Company is a private company limited by share capital, incorporated in England and Wales.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The functional and presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £'000.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

There were no judgements or material estimation uncertainties affecting the reported financial performance in the current or prior period.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions

As the Company is a wholly owned subsidiary of Grove Limited the Company has taken advantage of the disclosure exemptions contained in FRS 102 Section 1.12. By virtue of FRS 102 Section 33.1A the Company has not disclosed transactions or balances with wholly owned entities which form part of the Group.

Name of parent of group

These financial statements are consolidated in the financial statements of Grove Limited.

The financial statements of Grove Limited may be obtained from www.jerseyfsc.org.

Group accounts not prepared

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirements to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors of Grove Limited (the Company's ultimate parent undertaking) have prepared cash flow forecasts for Grove Limited and its subsidiaries (the Group), of which this company is a member, for a period of 18 months from the date of approval of these financial statements.

The Group meets its day to day working capital requirements through its cash reserves, bank loans and shareholder loans. The Board have prepared forecasts for the remainder of 2021 and the twelve months ended 31 December 2022. These forecasts take into account the impact of Covid-19 to date, and revised expectations in relation to occupancy, labour costs and additional related costs (such as PPE, anticipated on-going testing and a full programme of capital expenditure).

The Board has also reviewed the impact of a possible "third wave" of Covid-19 and the impact on cash should this arise due to an increase in deaths. Steps have been taken to mitigate against the impacts of such an outbreak, and the reduction in the incidence of Covid-19 cases in residents, patients and staff has been reassuring. The steps taken by the Board include:

- Mandatory vaccination of all staff who have a role which requires them to work in any of our homes or hospitals at any time.
- Mandatory vaccination of any new residents moving in.
- Maintaining our independent supply chain for PPE (as we did throughout 2021).
- Commitment to on-going testing of residents, patients, staff, visitors and contractors who enter any home or hospital.

In particular, we believe that our position on vaccinations should mean that any increase in cases in the general population should not translate directly into increased cases in the homes and hospitals.

The Board also considered the impact on cash forecasts should occupancy be impacted by a further reduction in demand from residents or their families. The Board is satisfied that mitigations are in place to address demand pressures.

Our forecasts, including the downside sensitivities, indicate that the Group will have sufficient cash resources for the forecast period through to December 2022. In addition to the forecast cash surplus, the Group has a £20 million revolving credit facility available from NatWest. This is forecast not to be required at any time throughout the forecast period, even in the downside sensitised cases described above. In addition, there are a number of areas of discretionary expenditure which could be reduced if necessary and sufficient assets on the balance sheet that could be used to raise additional debt if required.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Derivative financial instruments

The Group uses interest rate swaps to adjust interest rate exposures. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

3 Interest receivable and similar income

	2020	2019
	£ 000	£ 000
Interest receivable on loans to Group undertakings	<u>6,044</u>	<u>6,190</u>

4 Interest payable and similar expenses

	2020	2019
	£ 000	£ 000
Interest on bank overdrafts and borrowings	<u>9,470</u>	<u>7,899</u>

5 Directors' remuneration

The Company had no employees other than Directors (2019: Nil). The Directors received remuneration for services to Grove Limited of which Barchester Finco 2017 UK Limited is a subsidiary undertaking, however the proportion attributable to their services to Barchester Finco 2017 UK Limited is not separately identifiable.

6 Auditor's remuneration

The remuneration of the auditor in the current period was borne by another Group company. The estimate for the current year is £4,000 (2019: £4,000).

7 Taxation

Tax charged/(credited) in the profit and loss account

	2020	2019
	£ 000	£ 000
Current taxation		
UK corporation tax	<u>-</u>	<u>-</u>
Total current income tax	-	-
Deferred taxation		
Total deferred taxation	<u>-</u>	<u>-</u>
Tax expense/(receipt) in the profit and loss account	<u>-</u>	<u>-</u>

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

7 Taxation (continued)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2019 - higher than the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £ 000	2019 £ 000
Loss before tax	(6,742)	(3,046)
Corporation tax at standard rate	(1,281)	(579)
Effect of revenues exempt from taxation	-	247
Effect of expense not deductible in determining taxable profit (tax loss)	630	-
Tax increase arising from group relief	510	492
Tax increase/(decrease) from transfer pricing adjustments	141	(160)
Total tax charge/(credit)	-	-

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

8 Investments

Subsidiaries	£ 000
At 1 January 2020	13,857
Additions	58
At 31 December 2020	13,915

Details of undertakings

Details of the investments in which the Company holds any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	2020	2019
Subsidiary undertakings					
Barchester New Propco Holdco Limited	Jersey	Ordinary	100%	100%	
Barchester Propco Two Topco Limited	England and Wales	Ordinary	100%	100%	
Barchester Propco Limited	England and Wales	Ordinary	100%	100%	
Barchester Propco Two Limited	England and Wales	Ordinary	100%	100%	
Barchester Propco Three Limited	England and Wales	Ordinary	100%	100%	
Propco 2015 Limited	Jersey	Ordinary	100%	100%	
Wadhurst Manor 2015 Limited	England and Wales	Ordinary	100%	100%	

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

8 Investments (continued)

Juniper House 2015 Limited	England and Wales	Ordinary	100%	100%
Oak Grange 2015 Limited	England and Wales	Ordinary	100%	100%
Marnel Park 2015 Limited	England and Wales	Ordinary	100%	100%
GJP Southport Limited	England and Wales	Ordinary	100%	100%
Deeping Care Home Limited	England and Wales	Ordinary	100%	100%
Burton Waters Care Home Limited	England and Wales	Ordinary	100%	100%

The registered office address of those companies registered in Jersey is 13 Castle Street, St Helier, Jersey, JE1 1ES.

The registered office address of those companies registered in England and Wales is 3rd Floor, The Aspect, 12 Finsbury Square, London, EC2A 1AS.

9 Debtors

	2020 £ 000	2019 £ 000
Amounts owed by related parties	138,849	116,102
Income tax asset	-	802
	<u>138,849</u>	<u>116,904</u>

The fair value of interest rate swaps is based on bank quotes.

Amounts due from related parties stated above are legally due on demand and are thus recoverable within one year. It is not expected that a demand for these amounts will be made within the next year.

10 Creditors

	2020 £ 000	2019 £ 000
Due within one year		
Loans and borrowings	3,666	3,578
Accrued expenses	2,115	2,108
Fair value of interest rate swap	3,935	619
	<u>9,716</u>	<u>6,305</u>
Due after one year		
Loans and borrowings	<u>162,238</u>	<u>165,669</u>

The fair value of interest rate swaps is based on bank quotes.

Amounts due to related parties are legally due on demand and are thus due within one year. It is not expected that a demand for these amounts will be made within the next year.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

11 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary shares of £1 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

12 Loans and borrowings

	2020 £ 000	2019 £ 000
Current loans and borrowings		
Bank borrowings (<i>net of £634,000 (2019: £722,000) unamortised issue costs</i>)	<u>3,666</u>	<u>3,578</u>

	2020 £ 000	2019 £ 000
Non-current loans and borrowings		
Bank borrowings (<i>net of £1,162,000 (2019: £2,031,000) unamortised issue costs</i>)	<u>162,238</u>	<u>165,669</u>

The bank loan is secured over certain assets of the Group by way of fixed and floating charges and bears interest at a margin over LIBOR. The bank loan is repayable in quarterly instalments of £1,075k with the remaining balance repayable on 26 November 2023.

Barchester Finco 2017 UK Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

13 Parent and ultimate parent undertaking

The ultimate parent is Grove Limited, incorporated in Jersey.

The most senior parent entity producing publicly available financial statements is Grove Limited. These financial statements are available upon request from www.jerseyfsc.org

The parent of the largest group in which these financial statements are consolidated is Grove Limited, incorporated in Jersey.

The address of Grove Limited is:

13 Castle Street
St Helier
Jersey
JE1 1ES

The parent of the smallest group in which these financial statements are consolidated is Propco 2017 Limited, incorporated in Jersey.

The address of Propco 2017 Limited is:

13 Castle Street
St Helier
Jersey
JE1 1ES