

Registered number: SC045234

Berkeley Homes Special Contracts public limited company

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023



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**STRATEGIC REPORT
FOR THE YEAR ENDED 30 APRIL 2023**

Introduction

The Directors present their Strategic Report for the year ended 30 April 2023.

Principal activities, review of the business and future review

The Company's principal activity until 30 April 2001, when it disposed of its investment, was that of a holding company. The Company was dormant during the year ended 30 April 2023. In the prior year, the Company was dormant until 31 January 2022, when it paid an interim dividend to its immediate parent undertaking.

The Company is a wholly owned subsidiary of an ultimate parent undertaking, The Berkeley Group Holdings plc, based in the United Kingdom for which Group financial statements are prepared. The Company's principal operating and financial risks, including the macro economic climate and its impact on consumer confidence, land availability and the planning environment, availability of sufficient mortgage funds for our customers, the ability to attract and retain the best people, along with key performance indicators are integrated with those of the Group. These are set out in the Business Review on pages 1 to 101 of the 2023 Annual Report of The Berkeley Group Holdings plc.

Results

The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither a profit or a loss.

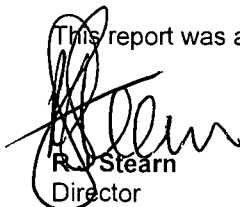
As at 30 April 2023 the Company had a net asset position of £18,488,195 (2022: £18,488,195).

The Directors did not pay an interim dividend (2022: £82,393,136) and do not recommend a final dividend (2022: £nil).

Going concern

The Company has sufficient access to financial resources together with long standing relationships with clients and suppliers. As a consequence, the Directors believe that the Company is well placed to manage its business risks successfully. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and at least the next twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements (see note 2.4).

This report was approved by the board on 10 October 2023 and signed on its behalf.



R. J. Stearn
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 APRIL 2023**

The Directors present their report and the financial statements for the year ended 30 April 2023.

Directors

The Directors who served during the year under review and up to the date of signing this report were:

R J Stearn
R C G Perrins
D A Fox (resigned 30 September 2022)

Political donations

The Company made no political donations (2022: £nil) during the year under review.

Disclosure of information to auditor

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 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 is aware of that information.

Qualifying third party indemnity provisions

The Company's ultimate parent undertaking, The Berkeley Group Holdings plc, maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against the Directors and officers of the Company.

In addition, the Articles of Association of the Company allow that the Directors and officers of the Company may be indemnified in respect of liabilities incurred as a result of their office.

Auditor

Under section 487(2) of the Companies Act 2006, KPMG LLP will be deemed to have been reappointed as auditor, and KPMG LLP will therefore continue in office.

This report was approved by the board on 10 October 2023 and signed on its behalf.



R J Stearn
Director

Registered Office:
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EN

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKELEY HOMES SPECIAL CONTRACTS PUBLIC LIMITED COMPANY

Opinion

We have audited the financial statements of Berkeley Homes Special Contracts public limited company ("the Company") for the year ended 30 April 2023 which comprise the Profit and Loss Account, 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 30 April 2023 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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; and
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKELEY HOMES SPECIAL CONTRACTS PUBLIC LIMITED COMPANY

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 and inspection of policy documentation as to the ultimate parent company, The Berkeley Group Holdings plc's policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the Directors have knowledge of any actual, suspected or alleged fraud.

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 there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

Identifying and responding to risks of material misstatement related to 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 (as required by auditing standards), and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

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.

This company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

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.

Strategic Report and Directors' Report

The Directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and 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 Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BERKELEY HOMES SPECIAL CONTRACTS PUBLIC LIMITED COMPANY

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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 3, 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.

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.



Kevin Rose (Senior statutory auditor)
for and on behalf of

KPMG LLP, Statutory Auditor
Chartered Accountants
Statutory Auditor

15 Canada Square
London
E14 5GL
11 October 2023

Berkeley Homes Special Contracts public limited company

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2023**

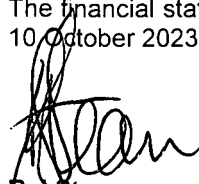
The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither a profit or a loss.

Berkeley Homes Special Contracts public limited company
REGISTERED NUMBER: SC045234

BALANCE SHEET
AS AT 30 APRIL 2023

	Note	2023 £	2022 £
Current assets			
Debtors: amounts falling due within one year	9	18,488,195	18,488,195
Net assets		<u>18,488,195</u>	<u>18,488,195</u>
Capital and reserves			
Share capital	10	14,506,544	14,506,544
Share premium account		3,981,651	3,981,651
Total equity		<u>18,488,195</u>	<u>18,488,195</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10 October 2023.



R J Stearn
Director

The notes on pages 10 to 13 form part of these financial statements.

Berkeley Homes Special Contracts public limited company

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2023**

	Share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 May 2021	14,506,544	3,981,651	82,393,136	100,881,331
Dividends paid to equity holders of the Company	-	-	(82,393,136)	(82,393,136)
At 1 May 2022	14,506,544	3,981,651	-	18,488,195
At 30 April 2023	14,506,544	3,981,651	-	18,488,195

The notes on pages 10 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

1. General information

Berkeley Homes Special Contracts public limited company (the "Company") is a public limited company incorporated, domiciled and registered in Scotland. The registered address is Saltire Court, 20 Castle Terrace, Edinburgh EH1 2EN. The Company's principal activity was and continues to be that of a holding company.

2. Accounting policies

2.1 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are presented in 'Pound Sterling' (£) which is the Company's functional currency.

2.2 Basis of preparation of financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101"). These financial statements have been prepared on the going concern basis and under the historical cost convention.

The preparation of financial statements in conformity with FRS 101 requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4 below.

2.3 Financial Reporting Standard 101 - reduced disclosure exemptions

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of The Berkeley Group Holdings plc as at 30 April 2023 and these financial statements may be obtained from Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

2. Accounting policies (continued)

2.4 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 have assessed the business plan and future funding requirements of the Company, as part of The Berkeley Group Holdings plc group of companies (The Berkeley Group), over the medium-term and compared these with the level of existing cash resources and committed loan facilities that The Berkeley Group has, which are available to all subsidiaries within the group including the Company.

In making this assessment, consideration has been given to the uncertainty inherent in future financial forecasts and where applicable, severe but plausible sensitivities have been applied to the key factors affecting the financial performance of the Company and The Berkeley Group. The Directors have a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due. Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for a minimum of 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2.5 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.6 Dividends

Dividend distributions to shareholders are recognised as a liability in the period in which the dividends are appropriately authorised and approved for payment and are no longer at the discretion of the Company.

3. Adoption of new and revised standards

The following amendments to standards and interpretations are applicable to the Company and are mandatory for the first time for the financial year beginning 1 May 2022:

— Annual Improvements to IFRS 9 Financial Instruments.

The Company did not have to change its accounting policies or make retrospective adjustments as a result of these amendments.

4. Impact of standards and interpretations in issue but not yet effective

The International Accounting Standards Board ("IASB") has published the following amendments to IFRSs which will be applicable to the Company for the financial year beginning 1 May 2023. These amendments are not expected to have a significant impact on the results of the Company:

— Amendments to IAS 1 Presentation of Financial Statements; and
— Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

5. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise their judgement in the process of applying the Company's accounting policies. There were no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements that required disclosure.

6. Auditors' remuneration

The auditor's remuneration in relation to the Company of £1,000 (2022: £1,000) is borne by the parent undertaking, Berkeley Homes public limited company.

No other fees are payable to KPMG LLP.

7. Directors and employees

There were no employees or staff costs during the year (2022: £nil).

No Director received any emoluments during the year for services to the Company (2022: £nil). The Company considers that there is no practicable method to accurately allocate a portion of the emoluments the Directors receive from their respective Group company employer to the qualifying services they provide to the Company. The Company is also of the opinion any allocation would be immaterial.

8. Dividends

	2023 £	2022 £
Interim dividend paid of £nil (2022: £28,353) per ordinary share	-	82,393,136

9. Debtors

	2023 £	2022 £
Due within one year		
Amounts owed by group undertakings	18,488,195	18,488,195

Loan amounts owed by Group undertakings bear no interest and have no fixed repayment date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

10. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
170,130,484 (2022: 170,130,484) "A" Deferred shares of £0.05 each	8,506,524	8,506,524
30,000,000 (2022: 30,000,000) "B" Deferred shares of £0.20 each	6,000,000	6,000,000
2,906 (2022: 2,906) Ordinary shares of \$0.01 each	20	20
	<hr/> 14,506,544 <hr/>	<hr/> 14,506,544 <hr/>

The holders of "A" and "B" Deferred Shares shall not be entitled to any participation in the profits or the assets of the Company, unless the holders of the US\$ Ordinary shares have received the sum of £10,000,000,000 in respect of each share (other than "A" and "B" Deferred Shares) held by them.

None of the "A" and "B" Deferred Shares shall carry any right to receive notice of or attend and Vote at any general meeting of the Company.

The Company shall have the power and authority at any time to purchase all or any of the Deferred Shares for an aggregate consideration of £1 which shall be applied for the benefit of the Company.

11. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Berkeley Homes public limited company. The ultimate parent undertaking and controlling party is The Berkeley Group Holdings plc, a company registered in England and Wales. The Berkeley Group Holdings plc is the only group for which these results have been consolidated. Copies of these group accounts are publicly available from the Company Secretary at Berkeley House, 19 Portsmouth Road, Cobham, Surrey, KT11 1JG.