

Company registration number 05886730 (England and Wales)

GROVE PARK HEALTHCARE GROUP LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

PAGES FOR FILING WITH REGISTRAR

**GROVE PARK HEALTHCARE GROUP LIMITED**

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# GROVE PARK HEALTHCARE GROUP LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
<b>Non-current assets</b>			
Property, plant and equipment	4	28,000,000	11,463,107
Investments	5	1	1
		<u>28,000,001</u>	<u>11,463,108</u>
<b>Current assets</b>			
Inventories		5,211	-
Trade and other receivables	6	1,901,564	283,856
Cash and cash equivalents		193,391	6,092
		<u>2,100,166</u>	<u>289,948</u>
<b>Current liabilities</b>	7	<u>(1,093,407)</u>	<u>(3,613,517)</u>
<b>Net current assets/(liabilities)</b>		<u>1,006,759</u>	<u>(3,323,569)</u>
<b>Total assets less current liabilities</b>		<u>29,006,760</u>	<u>8,139,539</u>
<b>Non-current liabilities</b>	8	(9,282,968)	(8,561,896)
<b>Provisions for liabilities</b>		<u>(3,240,000)</u>	<u>(39,000)</u>
<b>Net assets/(liabilities)</b>		<u><u>16,483,792</u></u>	<u><u>(461,357)</u></u>
<b>Equity</b>			
Called up share capital	9	2	2
Revaluation reserve	10	10,834,295	-
Capital contribution reserve	11	686,940	-
Retained earnings		4,962,555	(461,359)
<b>Total equity</b>		<u><u>16,483,792</u></u>	<u><u>(461,357)</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 28 November 2023 and are signed on its behalf by:

Mr A S Shookhye  
Director

Company registration number 05886730 (England and Wales)

# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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### 1 Accounting policies

#### Company information

Grove Park Healthcare Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is 13 Oathall Road, Haywards Heath, West Sussex, RH16 3EG.

#### 1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 398 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

#### 1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

At the year end the company had net current liabilities and is dependent on the ongoing support of the group's bankers. In addition, there is an significant amount owed to the parent company on which the company is also dependant. There is no expectation that this amount will become payable in the 12 months from the date of the signing of the financial statements. The directors have also confirmed that, if required, they will provide financial support to the company.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

#### 1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, is shown net of VAT and on an accruals basis.

#### 1.4 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Freehold land and buildings	Held at fair value
Plant and equipment	15% diminishing balance
Fixtures and fittings	15% diminishing balance
Computers	15% diminishing balance

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

# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluations are made with sufficient regularity to ensure that the carrying amount in the financial statements does not differ materially from that which would be determined using the fair value at the end of the reporting period.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in profit or loss.

#### 1.5 Non-current investments

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.6 Impairment of non-current assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.7 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and includes deposits held at call with banks.

#### 1.9 Financial assets and liabilities

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like other accounts receivable and payable and loans from related parties.

Debt instruments like loans and other accounts receivable and payable are initially measured at the transaction price (including transaction costs) and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity. Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.10 Equity instruments

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

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### *Fair value of property, plant and equipment*

The director's valuation relating to the fair value of property, plant and equipment is based on their use of the professional valuation carried out on behalf of the company's lenders in May 2022 at £28.0 million taking into account any additions, disposals and depreciation since this date. The valuation was carried out in accordance with The Royal Institution of Chartered Surveyors, undertaken by BNP Paribas, an independent firm of Chartered Surveyors with a recognised and relevant professional qualification and with recent experience in the location and category of the property, plant and equipment being valued. The valuations were both made on the basis of existing use as a fully-equipped operational entity having regard to grow its trading potential over the coming years in line with Section 27 of FRS 102.

# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 3 Employees

The average monthly number of persons (excluding directors) employed by the company during the year was 72 (2021 - 0).

### 4 Property, plant and equipment

	Freehold land and buildings £	Assets under construction £	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
<b>Cost or valuation</b>						
At 1 January 2022	3,867,588	7,570,302	-	9,586	16,481	11,463,957
Additions	1,547,628	-	104,392	200,743	88,872	1,941,635
Revaluation	14,638,750	-	-	-	-	14,638,750
Transfers	7,570,302	(7,570,302)	-	-	-	-
At 31 December 2022	27,624,268	-	104,392	210,329	105,353	28,044,342
<b>Depreciation and impairment</b>						
At 1 January 2022	-	-	-	254	596	850
Depreciation charged in the year	-	-	10,752	19,567	13,173	43,492
At 31 December 2022	-	-	10,752	19,821	13,769	44,342
<b>Carrying amount</b>						
At 31 December 2022	27,624,268	-	93,640	190,508	91,584	28,000,000
At 31 December 2021	3,867,588	7,570,302	-	9,332	15,885	11,463,107

The directors have valued property, plant and equipment as disclosed in note 2.

The revaluation surplus is disclosed in note 10.

There are fixed and floating charges held over the freehold land and buildings by the company's bankers.

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

	2022 £	2021 £
Cost	13,549,974	12,002,346

# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 5 Fixed asset investments

	2022 £	2021 £
Investments	1	1

### Movements in non-current investments

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2022 & 31 December 2022	1
<b>Carrying amount</b>	
At 31 December 2022	1
At 31 December 2021	1

### 6 Trade and other receivables

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade receivables	344,855	-
Other receivables	195,709	117,556
	540,564	117,556
Deferred tax asset	1,361,000	166,300
	1,901,564	283,856

### 7 Current liabilities

	2022 £	2021 £
Trade payables	420,069	12,449
Amounts owed to group undertakings	-	576,592
Taxation and social security	126,324	-
Other payables	547,014	3,024,476
	1,093,407	3,613,517



# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 8 Non-current liabilities

	2022 £	2021 £
Bank loans and overdrafts	-	8,500,000
Other payables	9,282,968	61,896
	<u>9,282,968</u>	<u>8,561,896</u>

In the prior year, the bank loans were secured by a fixed and floating charge over the freehold land and buildings in the company. The directors Mr A S Shookhye and Mrs M B Shookhye provided a personal guarantee of £8,500,000. The rate of interest payable on this bank loan was 4.0% plus the LIBOR rate. During the current year, these loans were repaid as part of a group refinancing in the parent company.

The other payables balance relates to an amount due to the parent company which has been discounted as per note 12.

### 9 Called up share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

### 10 Revaluation reserve

	2022 £	2021 £
At the beginning of the year	-	-
Revaluation surplus arising in the year	14,074,295	-
Deferred tax on revaluation of property, plant and equipment	(3,240,000)	-
	<u>10,834,295</u>	<u>-</u>
At the end of the year	<u>10,834,295</u>	<u>-</u>

### 11 Capital contribution reserve

	2022 £	2021 £
At the beginning of the year	-	-
Additions	686,940	-
	<u>686,940</u>	<u>-</u>
At the end of the year	<u>686,940</u>	<u>-</u>

This capital contribution relates to a discounting charge put through the parent company, on the non-current intercompany loan included within note 9, as no interest is charged on this balance. This balance is non-distributable.

# GROVE PARK HEALTHCARE GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

### 12 Audit report information

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

The auditor's report was unqualified.

Senior Statutory Auditor: Alex Chidwick FCCA  
Statutory Auditor: Carpenter Box

### 13 Financial commitments, guarantees and contingent liabilities

There is a cross guarantee and debentures in place between the company, Ashton Healthcare Group Limited, Adelaide Healthcare Limited and Birchgrove Healthcare Limited dated 28 October 2022. The extent of the contingent liability at the year end amounted to £23,200,000 (2021 - £Nil).

### 14 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	17,760	-
Between two and five years	46,470	-
	<u>64,230</u>	<u>-</u>

### 13 Related party transactions

At the previous year-end, a balance totalling £2,449,852, included within other payables, was due to three connected companies under common ownership. During the prior year, recahrges were made to these companies of £23,055.

During the current year, following a group reconstruction, these companies are now 100% owned subsidiaries of the same group and therefore no disclosure of transactions or balances with them is required.

### 16 Parent company

The immediate and ultimate parent company is Ashton Healthcare Group Limited, a company controlled by Mr A S and Mrs M B Shookhye.

Ashton Healthcare Group Limited prepares consolidated financial statements and copies can be obtained from Companies House. The registered office of Ashton Healthcare Group Limited is 13 Oathall Road, Haywards Heath, West Sussex, RH16 3EG.

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