

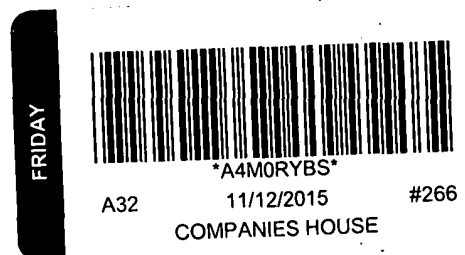
Grove Place Pty Limited

Report and Financial Statements

Year Ended

31 March 2015

Company Number 06863299



Grove Place Pty Limited

Report and financial statements
for the year ended 31 March 2015

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Directors

C B Percy
R H Davis
D A Whiteley

Secretary

R A Waterer

Registered office

Sherwood House, Forest Road, Kew, TW9 3BY

Company number

06863299

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Grove Place Pty Limited

Strategic report for the year ended 31 March 2015

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2015.

Principal activities, trading review and future developments

Grove Place Property owns the freehold of the continuing care retirement community at Grove Place, near Southampton comprising 115 apartments and associated communal facilities. The results for the Company show a profit of £48,000 (2014 - £71,000) for the year.

Future outlook

The Company manages a retirement community in conjunction with Grove Place Village Limited and will receive Deferred Membership Fees at Grove Place on resales by Tenants. There are proposals to develop a nursing home on the site, for which planning permission has been recently granted.

Principal risks and uncertainties

The directors are of the opinion that there are no current risks for the business and the execution of the Company's strategy.

Key performance indicators ("KPIs")

Given the early stages of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Approval

This strategic report was approved on behalf of the Board on 3 December 2015



R H Davis

Director

Grove Place Pty Limited

Report of the directors for the year ended 31 March 2015

The directors present their report together with the audited financial statements for the year ended 31 March 2015.

Results and dividends

The profit and loss account is set out on page 6 and shows the profit for the year.

No dividends were distributed for the year (2014 - £Nil).

Principal activity

The principal activity of the company is the ownership of a freehold retirement community village and the sale of individual homes within the village.

Directors

The directors of the company during the year were:

C B Percy
R H Davis
D A Whiteley (appointed 12 May 2014)

Directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 year.

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;
- 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 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.

Grove Place Pty Limited

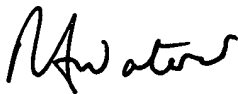
Report of the directors for the year ended 31 March 2015 (*continued*)

Auditors

The directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of the audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

By order of the Board



R A Waterer
Secretary

Date

3 December 2015

Grove Place Pty Limited

Independent auditor's report

TO THE MEMBERS OF GROVE PLACE PTY LIMITED

We have audited the financial statements of Grove Place Pty Limited for the year ended 31 March 2015 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Grove Place Pty Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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

BDO LLP

*Geraint Jones (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

3 December 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Grove Place Pty Limited

Profit and loss account for the year ended 31 March 2015

	Note	2015 £'000	2014 £'000
Turnover	2	614	8,584
Cost of sales		(423)	(8,381)
Gross profit		191	203
Administrative expenses		(38)	(2)
Operating profit	3	153	201
Interest receivable		34	-
Interest payable	4	(139)	(130)
Profit on ordinary activities before taxation		48	71
Taxation on profit from ordinary activities	5	-	-
Profit on ordinary activities after taxation	11	48	71

All amounts relate to continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

Grove Place Pty Limited

Statement of total recognised gains and losses for the year ended 31 March 2015

	2015 £'000	2014 £'000
Profit for the year	48	71
Unrealised surplus on revaluation of property	654	4,225
Capital contribution - intercompany loan write back	2,041	-
	<hr/>	<hr/>
Total recognised gains	2,743	4,296
	<hr/>	<hr/>

The notes on pages 9 to 13 form part of these financial statements.

Grove Place Pty Limited

Balance sheet at 31 March 2015

<i>Company number 06863299</i>	Note	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed assets					
Investment property	6		15,900		15,246
Current assets					
Stock	7	-		57	
Debtors	8	3,136		423	
Cash at bank		12		-	
		<u>3,148</u>		<u>480</u>	
Creditors: amounts falling due within one year		(4)		(2)	
Net current assets			<u>3,144</u>		<u>478</u>
			<u>19,044</u>		<u>15,724</u>
Creditors: amounts falling due after more than one year	9		(3,017)		(2,440)
Net assets			<u>16,027</u>		<u>13,284</u>
Capital and reserves					
Called up share capital	10	-		-	
Revaluation reserve	11	15,050		14,396	
Profit and loss account	11	977		(1,112)	
Shareholders' funds	12		<u>16,027</u>		<u>13,284</u>

The financial statements were approved by the Board of Directors and authorised for issue on **3 December 2015**


R H Davis
Director

The notes on pages 9 to 13 form part of these financial statements.

Grove Place Pty Limited

Notes forming part of the financial statements for the year ended 31 March 2015

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards.

The following principal accounting policies have been applied:

Investment property

In accordance with SSAP 19 investment property is revalued annually to open market value and no depreciation is provided. The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

Stock

Stock is stated at the lower of cost and net realisable value.

Deferred tax

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

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief; and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

Financial instruments

Financial instruments are measured initially and subsequently at amortised cost. Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Turnover

Turnover represents the income from the sale of property. Turnover is recognised on an accruals basis and on legal completion of the property sale. Turnover arises solely within the United Kingdom.

2 Turnover

	2015 £'000	2014 £'000
Turnover	614	8,584

Grove Place Pty Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

3 Operating profit

	2015 £'000	2014 £'000
This has been arrived at after charging:		
Auditors' remuneration	3	2

4 Interest payable

	2015 £'000	2014 £'000
Bank loans	(36)	-
Loans from group companies	(103)	(130)
	(139)	(130)

5 Taxation on loss from ordinary activities

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2015 and 31 March 2014.

Factors affecting the tax charge:

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	48	71
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21% (2014 - 23%)	10	16
Effects of:		
Utilisation of tax losses	(10)	-
Tax losses carried forward	-	(16)
Current tax charge for year	-	-

Factors that may affect future tax charges

A potential deferred tax asset of approximately £170,000 (2014 - £170,000) in respect of trading losses, has not been recognised on the grounds that there is insufficient evidence at the current time that the asset will be recoverable in the foreseeable future.

The company has estimated losses of £818,840 (2014 - £866,460) available to utilise against future trading profits.

Grove Place Pty Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

6 Investment property

	Freehold land £'000
<i>Valuation</i>	
At 1 April 2014	15,246
Revaluation gains	654
	<hr/>
At 31 March 2015	15,900
	<hr/>

The investment property was valued by the director's as at 31 March 2015 based on open market value using net present values of expected cash flows. The historical cost of the investment property is £849,000 (2014 - £849,000).

7 Stock

	2015 £'000	2014 £'000
Stock	-	57
	<hr/>	<hr/>

8 Debtors

	2015 £'000	2014 £'000
Other debtors	130	303
Amounts owed by group companies	3,006	120
	<hr/>	<hr/>
	3,136	423
	<hr/>	<hr/>

Amounts due by group companies are due in more than one year.

9 Creditors: amounts falling due after more than one year

	2015 £'000	2014 £'000
Amounts owed to group companies	17	2,440
Bank loan	3,000	-
	<hr/>	<hr/>
	3,017	2,440
	<hr/>	<hr/>

The loan is secured by a fixed and floating charge over all property and undertakings of the company. Interest is payable at 4% per annum and the loan is due for repayment in December 2016.

Grove Place Pty Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

10 Share capital

	2015 Number	Allotted, issued and fully paid 2015 £	2014 Number	2014 £
Ordinary shares of £1 each	1	1	1	1

11 Reserves

	Revaluation reserve £'000	Profit and loss account £'000
At 1 April 2014	14,396	(1,112)
Profit for the year	-	2,089
Surplus on revaluation of property	654	-
At 31 March 2015	15,050	977

12 Reconciliation of movements in shareholders' funds

	2015 £'000	2014 £'000
Profit for the year	2,089	71
Surplus on revaluation of property	654	4,225
Net addition to shareholders' funds	2,743	4,296
Opening shareholders' funds	13,284	8,988
Closing shareholders' funds	16,027	13,284

13 Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by LifeCare Residences Limited on the grounds that at least 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

Grove Place Pty Limited

Notes forming part of the financial statements
for the year ended 31 March 2015 (*continued*)

14 Cash flow statement

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 "Cash Flow Statements", not to prepare a cash flow statement as it is included in the consolidated financial statements prepared by its immediate parent company.

15 Ultimate parent company

The company's immediate parent company is LifeCare Residences Limited. The ultimate parent company is Lifecare Residences International Limited, which is incorporated in Guernsey.