

# **Grove Place Village Limited**

**Annual Report and Financial Statements**

**Year Ended**

**31 March 2022**

**Company Number 06863299**

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# Grove Place Village Limited

## Company Information

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<b>Directors</b>	S Stoneham G P Heather S M Nayee J M S Smart
<b>Registered number</b>	06863299
<b>Registered office</b>	15 Savile Row London W1S 3PJ
<b>Independent auditors</b>	BDO LLP 55 Baker Street London W1U 7EU

# Grove Place Village Limited

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# **Grove Place Village Limited**

## **Strategic report For the Year Ended 31 March 2022**

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### **Introduction**

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2022.

### **Business review**

Grove Place Village ("the company") operates a continuing care retirement community in the south of England and is part of the LifeCare Residences group of companies.

The results of the company show a pre-tax loss of £3.6 million (2021 - £3.8 million) and has a net liabilities position of £3.5 million (2021 - net assets of £0.9 million).

Net liabilities have increased by £4.4 million (2021 - net assets decreased by £3.4 million).

### **Principal risks and uncertainties**

The management and execution of the business's strategy are subject to a number of risks.

At the time of writing, management is confident that they have reacted to the global COVID-19 pandemic in a way that has protected its staff and residents and has maintained a platform for future growth. Demand for retirement living continues to outweigh supply and management therefore believe that the future financial wellbeing of the company has been safeguarded.

Other key business risks and uncertainties affecting the company are considered to relate to competition from other national and independent operators, executive retention, events leading to reputational risk, product availability, regulatory requirements and tightening of the debt markets.

### **Future outlook**

Grove Place is operating a fully sold-down retirement village with a resales cycle that is heading towards maturity. The directors have confidence the business strategy will generate a viable and profitable business. The focus is being placed on maintaining and building upon the high standards of luxury care and 5 star amenities provided. The recovery in the second half of the financial year has continued into the new financial year several reservations made to date.

The company is also committed to providing a nursing home proposition on-site to ensure a full continuum of care can be provided to residents.

# Grove Place Village Limited

## Strategic report (continued) For the Year Ended 31 March 2022

### Financial key performance indicators

The table below illustrates the number of resales that have taken place, the total resale value and how much of the proceeds were attributable to the company:

	FY22			FY21		
	No. of Resales	Total Value of Resales (£m)	Company resales revenue (£m)	No. of Resales	Total Value of Resales (£m)	Company resales revenue (£m)
Grove Place Village	13	4.8	1.4	7	2.7	0.7

This report was approved by the board and signed on its behalf by:



S M Nayee  
Director

Date: 31/03/2023

# **Grove Place Village Limited**

## **Directors' report For the Year Ended 31 March 2022**

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The directors present their report and the financial statements for the year ended 31 March 2022.

### **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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

### **Principal activities**

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

The company is also operating and managing a care and retirement community.

### **Results and dividends**

The loss for the year, after taxation, amounted to £4.4 million (2021 - £3.4 million).

During the year, no dividend was paid (2021 - £Nil).

### **Directors**

The directors who served during the year were:

S Stoneham  
G P Heather  
S M Nayee (appointed 24 January 2022)  
M J A Edser (resigned 18 June 2021)  
J M S Smart (appointed 8 February 2023)

# Grove Place Village Limited

## Directors' report (continued) For the Year Ended 31 March 2022

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### Disclosure of information to auditors

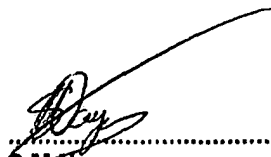
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are 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 auditors are aware of that information.

### Auditors

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

This report was approved by the board and signed on its behalf by:

  
.....  
S.M. Nayee  
Director

Date: 31/03/2023

# Grove Place Village Limited

## Independent auditors' report to the members of Grove Place Village Limited

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### Opinion on the 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 2022 and of its loss 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.

We have audited the financial statements of Grove Place Village Limited ("the company") for the year ended 31 March 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



# Grove Place Village Limited

## Independent auditors' report to the members of Grove Place Village Limited (continued)

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### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

### Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

# Grove Place Village Limited

## Independent auditors' report to the members of Grove Place Village Limited (continued)

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### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the directors and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related company legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the directors.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- Our tests included agreeing the financial statement disclosures to underlying supporting documentation where relevant.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates, in particular revenue recognition as well as the valuation of investment properties and property plant and equipment, are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

# Grove Place Village Limited

## Independent auditors' report to the members of Grove Place Village Limited (continued)

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### Use of our report

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 auditors' 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.

DocuSigned by:

**Chris Young**

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**Christopher Young** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom

Date: 31 March 2023

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

# Grove Place Village Limited

## Statement of comprehensive Income For the Year Ended 31 March 2022

	Note	2022 £000	2021 £000
Turnover	4	2,532	1,918
Cost of sales		(1,713)	(1,462)
<b>Gross profit</b>		<b>819</b>	<b>456</b>
Administrative expenses		(460)	(407)
Other operating income	5	49	59
Fair value movements	12	(1,842)	(1,945)
<b>Operating loss</b>	6	<b>(1,434)</b>	<b>(1,837)</b>
Interest payable and similar expenses	9	(2,199)	(1,975)
<b>Loss before tax</b>		<b>(3,633)</b>	<b>(3,812)</b>
Tax on loss	10	(720)	370
<b>Loss for the financial year</b>		<b>(4,353)</b>	<b>(3,442)</b>
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the year</b>		<b>(4,353)</b>	<b>(3,442)</b>

All amounts relate to continuing operations.

The notes on pages 12 to 24 form part of these financial statements.

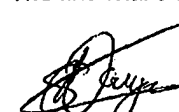
# Grove Place Village Limited

Registered number: 06863299

## Statement of financial position as at 31 March 2022

	Note	2022 £000	2022 £000	2021 £000	2021 £000
<b>Fixed assets</b>					
Tangible fixed assets	11		320		268
Investment property	12		19,560		21,402
			<u>19,880</u>		<u>21,670</u>
<b>Current assets</b>					
Stocks	13	61		76	
Debtors	14	2,019		1,623	
Cash at bank and in hand		13		14	
		<u>2,093</u>		<u>1,713</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(231)		(18,612)	
<b>Net current assets/(liabilities)</b>			<u>1,862</u>		<u>(16,899)</u>
<b>Total assets less current liabilities</b>			<u>21,742</u>		<u>4,771</u>
Creditors: amounts falling due after more than one year	16		(20,604)		-
<b>Provisions for liabilities</b>					
Deferred tax	17		(4,622)		(3,902)
<b>Net (liabilities)/assets</b>			<u>(3,484)</u>		<u>869</u>
<b>Capital and reserves</b>					
Share capital	18		-		-
(Accumulated losses)/ retained earnings	19		(3,484)		869
<b>Total equity</b>			<u>(3,484)</u>		<u>869</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



S M Nayee  
Director

Date: 31/03/2023

The notes on pages 12 to 24 form part of these financial statements.

## Grove Place Village Limited

### Statement of changes in equity For the Year Ended 31 March 2022

	Share capital £000	Accumulated losses £000	Total equity £000
At 1 April 2021	-	869	869
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(4,353)	(4,353)
<b>At 31 March 2022</b>	<b>-</b>	<b>(3,484)</b>	<b>(3,484)</b>

### Statement of changes in equity For the Year Ended 31 March 2021

	Share capital £000	Retained earnings £000	Total equity £000
At 1 April 2020	-	4,311	4,311
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(3,442)	(3,442)
<b>At 31 March 2021</b>	<b>-</b>	<b>869</b>	<b>869</b>

The notes on pages 12 to 24 form part of these .

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

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### 1. General information

Grove Place Village Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

#### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of LifeCare Residences Limited as at 31 March 2022 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

# **Grove Place Village Limited**

## **Notes to the financial statements For the Year Ended 31 March 2022**

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### **2. Accounting policies (continued)**

#### **2.3 Going concern**

These accounts have been prepared on a going concern basis.

The Company and its parent company, LifeCare Residences Limited, meets its day-to-day working capital requirements primarily through its income, bank loan facilities and when required, the continuing support of its shareholders. The directors prepare financial forecasts and monitor performance of the Company on an ongoing basis and have prepared a financial projection for a period of 12 months from the date of approval of the financial statements.

The Company has a net liability position largely as a result of the loan facility with Lifecare Residences. The directors have obtained confirmation from Lifecare Residences confirming that it will continue to provide such financial support as is required for the going concern period and that it will not recall the loan owed to it during the going concern period. The directors have assessed the ability of Lifecare Residences to provide such financial support, with the assistance of its shareholders, and are satisfied that it has the necessary financial resources to provide such confirmation.

#### **2.4 Turnover**

Turnover represents income from the sale of property. Turnover is recognised on an accruals basis and on legal completion of the property sale.

Turnover also represents income from the provision of care services and is recognised in the year the service is provided.

#### **2.5 Government grants**

Grants are recognised when there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. The grants are recognised in the income statement (under other operating income) over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis.

#### **2.6 Tangible fixed assets**

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



# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

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### 2. Accounting policies (continued)

#### 2.6 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Freehold property	- over 15 years
Plant and machinery	- 20% - 25% per annum
Fixtures and fittings	- 20% - 25% per annum

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

#### 2.7 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

#### 2.8 Stocks

Stocks are stated at the lower of cost and net realisable value.

#### 2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

#### 2.11 Creditors

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

#### 2.12 Finance costs

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

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

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### 2. Accounting policies (continued)

#### 2.13 Pensions

##### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

#### 2.14 Current and deferred taxation

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

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

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

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

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

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 11)

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Investment properties (see note 12) are professionally valued annually using net present values of expected cash flows, but there is an inevitable degree of judgement involved in that each property is unique and value can only ultimately be reliably tested in the market itself.

Key inputs into the valuations were:

Length of cash flows: 25 years

WACC: 10.08%

Average length of stay: 7.5 years

Average property growth rate: 4% per annum

Service charge loss of £700,000

Capital expenditure of £105,000

### 4. Turnover

	2022 £000	2021 £000
Sale of property	1,253	678
Care services	1,279	1,240
	<u>2,532</u>	<u>1,918</u>

All turnover arose within the United Kingdom.

### 5. Other operating income

	2022 £000	2021 £000
Other operating income	<u>49</u>	<u>59</u>

Included within other operating income are UK Government COVID related grants.

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 6. Operating loss

The operating loss is stated after charging:

	2022 £000	2021 £000
Depreciation of tangible fixed assets	38	26
Defined contribution pension cost	21	18
	<u>59</u>	<u>44</u>

The company has taken the exemption not to disclose remuneration for non-audit services, as these are disclosed in the group financial statements.

During the year, no director received any emoluments (2021 - £Nil).

### 7. Auditors' remuneration

	2022 £000	2021 £000
Fees payable to the company's auditors and its associates for the audit of the company's annual financial statements	6	6
	<u>6</u>	<u>6</u>
<b>Fees payable to the company's auditors and its associates in respect of:</b>		
Other services relating to taxation	3	3
All other services	2	2
	<u>5</u>	<u>5</u>

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 8. Employees

Staff costs were as follows:

	2022 £000	2021 £000
Wages and salaries	1,161	1,002
Social security costs	88	74
Cost of defined contribution scheme	21	18
	<u>1,270</u>	<u>1,094</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Employees (including part time)	<u>65</u>	<u>54</u>

### 9. Interest payable and similar expenses

	2022 £000	2021 £000
Other interest payable	4	3
Interest payable to group undertakings	2,195	1,972
	<u>2,199</u>	<u>1,975</u>

### 10. Taxation

	2022 £000	2021 £000
<b>Deferred tax</b>		
Origination and reversal of timing differences	(461)	(370)
Effect of tax rate change on opening balance	1,220	-
Prior year adjustment	(39)	-
<b>Total deferred tax</b>	<u>720</u>	<u>(370)</u>
<b>Taxation on loss on ordinary activities</b>	<u>720</u>	<u>(370)</u>

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 10. Taxation (continued)

#### Factors affecting tax charge/(credit) for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Loss on ordinary activities before tax	(3,633)	(3,812)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(690)	(724)
<b>Effects of:</b>		
Fixed asset differences	3	3
Capital gains differences	(350)	(370)
Expenses not deductible for tax purposes	352	370
Deferred tax not recognised	575	233
Group relief surrendered	107	118
Remeasurements of deferred tax for changes in tax rates	762	-
Adjustments to brought forward values	(39)	-
<b>Total tax charge/(credit) for the year</b>	<b>720</b>	<b>(370)</b>

As at 31 March 2022 the company has not recognised deferred tax assets in respect of losses and fixed asset timing differences of £1,443,761 (2021 - £872,952) due to uncertainty regarding timing and the amount of the realisation.

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 11. Tangible fixed assets

	Freehold property £000	Plant and machinery £000	Fixtures and fittings £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2021	252	129	54	435
Additions	42	37	11	90
At 31 March 2022	294	166	65	525
<b>Depreciation</b>				
At 1 April 2021	32	85	50	167
Charge for the year	16	20	2	38
At 31 March 2022	48	105	52	205
<b>Net book value</b>				
At 31 March 2022	246	61	13	320
At 31 March 2021	220	44	4	268

The net book value of land and buildings may be further analysed as follows:

	2022 £000	2021 £000
Freehold	246	220

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 12. Investment property

	Freehold investment property £000
<b>Valuation</b>	
At 1 April 2021	21,402
Deficit on revaluation	(1,842)
<b>At 31 March 2022</b>	<b>19,560</b>

### 13. Stocks

	2022 £000	2021 £000
Work in progress	58	73
Finished goods	3	3
	<b>61</b>	<b>76</b>

### 14. Debtors: amounts falling due within one year

	2022 £000	2021 £000
Trade debtors	82	154
Amounts owed by group undertakings	1,753	1,297
Other debtors	143	131
Prepayments and accrued income	41	41
	<b>2,019</b>	<b>1,623</b>

Amounts owed by group undertakings are unsecured, interest free and receivable on demand.



# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 15. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	112	85
Amounts owed to group undertakings	-	18,409
Taxation and social security	22	31
Other creditors	24	14
Accruals and deferred income	73	73
	<u>231</u>	<u>18,612</u>

The intercompany loan has a maximum facility of £12,682,523 plus interest. The loan is unsecured and accrues an interest rate of 12% which is payable annually. At 31 March 2022, the annual interest rate was adjusted to 5%, and the full repayment date extended to 31 March 2024.

### 16. Creditors: amounts falling due after more than one year

	2022 £000	2021 £000
Amounts owed to group undertakings	<u>20,604</u>	<u>-</u>

The intercompany loan has a maximum facility of £12,682,523 plus interest. The loan is unsecured and accrues an interest rate of 12% which is payable annually. At 31 March 2022, the annual interest rate was adjusted to 5%, and the full repayment date extended to 31 March 2024.

# Grove Place Village Limited

## Notes to the financial statements For the Year Ended 31 March 2022

### 17. Deferred taxation

	2022 £000	2021 £000
At beginning of year	(3,902)	(4,272)
Credited to the statement of comprehensive income	(759)	370
Adjustment to prior year	39	-
<b>At end of year</b>	<b>(4,622)</b>	<b>(3,902)</b>

The provision for deferred taxation is made up as follows:

	2022 £000	2021 £000
Timing difference on valuation of investment property	(4,622)	(3,902)
	<b>(4,622)</b>	<b>(3,902)</b>

### 18. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	1	1

### 19. Reserves

#### Retained earnings

Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

### 20. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,904 (2021 - £17,740). Contributions totalling £3,614 (2021 - £3,759) were payable to the fund at the reporting date and are included in creditors.

# **Grove Place Village Limited**

## **Notes to the financial statements For the Year Ended 31 March 2022**

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### **21. Related party transactions**

The company has taken exemption under FRS 102 section 1AC.35 from disclosing transactions with group companies, on the grounds that each company party to the transactions is wholly owned within the group.

### **22. Controlling party**

The company's intermediate parent company is LifeCare Residences Limited. At 31 March 2022, the company's ultimate controlling shareholders are the family trusts of Cliff and Sue Cook.