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**GROVE PLACE VILLAGE LIMITED**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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## GROVE PLACE VILLAGE LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	S M Nayee S Stoneham (resigned 19 January 2024) G P Heather (appointed 19 January 2024, resigned 19 May 2023) J M S Smart (appointed 8 February 2023)
<b>Registered number</b>	06863299
<b>Registered office</b>	15 Savile Row London W1S 3PJ
<b>Independent auditors</b>	White Hart Associates (London) Limited Chartered Accountants and Statutory Auditors 2nd Floor, Nucleus House 2 Lower Mortlake Road Richmond TW9 2JA

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**GROVE PLACE VILLAGE LIMITED**

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## GROVE PLACE VILLAGE LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

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#### Introduction

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2023.

#### 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 £2.6 million (2022 - £3.6 million) and has a net liability position of £5.8 million (2022 - net liabilities of £3.5 million).

Net liabilities have increased by £2.3 million (2022 - net liabilities increased by £4.4 million), primarily related to the fair value revaluation of the freehold by £1.2 million (2022 - £1.8 million) and intercompany interest of £0.9 million (2022 - £2.2 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 sales 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.

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GROVE PLACE VILLAGE LIMITED

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STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023

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**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:

	2023	2023	2023	2022	2022	2022
	No. of	Total Value of	Company	No. of	Total Value of	Company
	Resales	Resales (£m)	Resales	Resales	Resales (£m)	Resales
			Revenue (£m)			Revenue (£m)
Grove Place Village	5	2.0	0.6	13	4.8	1.4

This report was approved by the board on 8 February 2024 and signed on its behalf.

**J M S Smart**  
Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2023**

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The directors present their report and the financial statements for the year ended 31 March 2023.

**Directors' responsibilities statement**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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 activity**

The principal activity of the company is the ownership of a freehold 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 £2.3 million (2022 - £4.4 million).

During the year, no dividend was paid (2022: £Nil).

**Directors**

The directors who served during the year were:

S M Nayee

S Stoneham (resigned 19 January 2024)

G P Heather (appointed 19 January 2024, resigned 19 May 2023)

J M S Smart (appointed 8 February 2023)

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**GROVE PLACE VILLAGE LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2023**

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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.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditors**

The auditors, White Hart Associates (London) Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 8 February 2024 and signed on its behalf.

**J M S Smart**  
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROVE PLACE VILLAGE LIMITED

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**Opinion**

We have audited the financial statements of Grove Place Village Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 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.

**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 are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**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.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GROVE PLACE VILLAGE LIMITED (CONTINUED)

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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.

**Matters on which we are required to report by exception**

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 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, 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.

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.

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 exercise professional judgment and maintain professional skepticism throughout the audit;
- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the deliberate override of internal control;
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made;
- We assess the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, 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 significant transactions outside the normal course of business;
- We request and review the minutes of management meetings, and assess any matters identified not already provided for or disclosed that may materially impact the financial statements;
- We conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit

evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

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.

Ms N A Spoor FCA FCCA (Senior Statutory Auditor)

for and on behalf of

**White Hart Associates (London) Limited**

Chartered Accountants and Statutory Auditors

2nd Floor, Nucleus House

2 Lower Mortlake Road

Richmond

TW9 2JA

8 February 2024

GROVE PLACE VILLAGE LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £000	2022 £000
Turnover		1,764	2,532
Cost of sales		(1,672)	(1,713)
<b>Gross profit</b>		<b>92</b>	<b>819</b>
Administrative expenses		(578)	(460)
Other operating income		-	49
Fair value movements		(1,190)	(1,842)
<b>Operating loss</b>		<b>(1,676)</b>	<b>(1,434)</b>
Interest payable and similar expenses		(925)	(2,199)
<b>Loss before tax</b>		<b>(2,601)</b>	<b>(3,633)</b>
Tax on loss		297	(720)
<b>Loss for the financial year</b>		<b>(2,304)</b>	<b>(4,353)</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>		<b>(2,304)</b>	<b>(4,353)</b>

The notes on pages 12 to 25 form part of these financial statements.

**GROVE PLACE VILLAGE LIMITED**  
**REGISTERED NUMBER: 06863299**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	11	586	320
Investment property	12	18,370	19,560
		<u>18,956</u>	<u>19,880</u>
<b>Current assets</b>			
Stocks	13	71	61
Debtors: amounts falling due within one year	14	1,278	2,019
Cash at bank and in hand	15	26	13
		<u>1,375</u>	<u>2,093</u>
Creditors: amounts falling due within one year	16	(268)	(231)
<b>Net current assets</b>		<u>1,107</u>	<u>1,862</u>
<b>Total assets less current liabilities</b>		<u>20,063</u>	<u>21,742</u>
Creditors: amounts falling due after more than one year	17	(21,525)	(20,604)
<b>Provisions for liabilities</b>			
Deferred tax	18	(4,326)	(4,622)
		<u>(4,326)</u>	<u>(4,622)</u>
<b>Net liabilities</b>		<u>(5,788)</u>	<u>(3,484)</u>
<b>Capital and reserves</b>			
Profit and loss account		(5,788)	(3,484)
		<u>(5,788)</u>	<u>(3,484)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8 February 2024.

**J M S Smart**  
Director

The notes on pages 12 to 25 form part of these financial statements.

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GROVE PLACE VILLAGE LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023

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	Profit and loss account £000	Total equity £000
At 1 April 2021	869	869
Comprehensive income for the year		
Loss for the year	(4,353)	(4,353)
	<hr/>	<hr/>
At 1 April 2022	(3,484)	(3,484)
Comprehensive income for the year		
Loss for the year	(2,304)	(2,304)
	<hr/>	<hr/>
At 31 March 2023	<u>(5,788)</u>	<u>(5,788)</u>

The notes on pages 12 to 25 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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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 judgment 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), 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.

The information is included in the consolidated financial statements of LifeCare Residences Limited as at 31 March 2023 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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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 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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

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

**2.5 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.6 Finance costs**

Finance costs are charged to profit or loss 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.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**2. Accounting policies (continued)**

**2.7 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 profit or loss 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.

**2.8 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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.

**2.9 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**2. Accounting policies (continued)**

**2.9 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.

**2.10 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.

**2.11 Stocks**

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

**2.12 Debtors**

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

**2.13 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.

**2.14 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**2. Accounting policies (continued)**

**2.15 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

Other key sources of estimation uncertainty

Tangible fixed assets (see note 10)

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 11) are professionally valued annually using net present value 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%

Average length of stay: 7.5 years

Average property growth rate: 4% per annum

Service charge loss of £728,000

Capital expenditure of £108,000

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GROVE PLACE VILLAGE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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**4. Turnover**

An analysis of turnover by class of business is as follows:

	2023 £000	2022 £000
Sale of property	530	1,253
Care services	1,234	1,279
	<u>1,764</u>	<u>2,532</u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	2023 £000	2022 £000
Government grants receivable	-	49
	<u>-</u>	<u>49</u>

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

**6. Operating (loss)/profit**

The operating (loss)/profit is stated after charging:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	58	38
Defined contribution pension cost	<u>22</u>	<u>21</u>

**7. Auditors' remuneration**

	2023 £000	2022 £000
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>6</u>	<u>6</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

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GROVE PLACE VILLAGE LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

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8. Employees

Staff costs were as follows:

	2023 £000	2022 £000
Wages and salaries	1,179	1,161
Social security costs	95	88
Cost of defined contribution scheme	22	21
	<u>1,296</u>	<u>1,270</u>

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

	2023 No.	2022 No.
Employees (including part time)	<u>60</u>	<u>65</u>

9. Interest payable and similar expenses

	2023 £000	2022 £000
Other interest payable	5	4
Interest payable to group undertakings	920	2,195
	<u>925</u>	<u>2,199</u>

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**GROVE PLACE VILLAGE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**10. Taxation**

	<b>2023</b>	<i>2022</i>
	<b>£000</b>	<i>£000</i>
	<hr/>	<hr/>
<b>Total current tax</b>	<hr/> <b>-</b> <hr/>	<hr/> <b>-</b> <hr/>
<b>Deferred tax</b>		
Origination and reversal of timing differences	<b>(297)</b>	<i>(461)</i>
Effect of tax rate changes on opening balance	<b>-</b>	<i>1,220</i>
Prior year adjustment	<b>-</b>	<i>(39)</i>
	<hr/>	<hr/>
<b>Total deferred tax</b>	<hr/> <b>(297)</b> <hr/>	<hr/> <i>720</i> <hr/>
	<hr/>	<hr/>
<b>Taxation on (loss)/profit on ordinary activities</b>	<hr/> <b>(297)</b> <hr/>	<hr/> <i>720</i> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**10. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	<b>2023</b>	2022
	<b>£000</b>	£000
Loss on ordinary activities before tax	<u>(2,601)</u>	<u>(3,633)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	<b>(494)</b>	(690)
<b>Effects of:</b>		
Fixed asset differences	<b>11</b>	3
Capital gains differences	<b>(226)</b>	(350)
Expenses not deductible for tax purposes	<b>227</b>	352
Movement in deferred tax not recognised	<b>284</b>	575
Group relief surrendered	<b>40</b>	107
Remeasurements of deferred tax for changes in tax rates	<b>(139)</b>	762
Adjustments to brought forward values	<u>-</u>	<u>(39)</u>
<b>Total tax charge for the year</b>	<u><b>(297)</b></u>	<u>720</u>

**Factors that may affect future tax charges**

As at 31 March 2023 the company has not recognised deferred tax assets in respect of losses and fixed assets timing differences of £1,721,238 (2022: £1,443,761) due to uncertainty regarding timing and the amount of the realisation.

GROVE PLACE VILLAGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023

11. Tangible fixed assets

	Plant and machinery £000	Fixtures and fittings £000	Freehold property £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2022	166	65	294	525
Additions	27	3	293	323
At 31 March 2023	193	68	587	848
<b>Depreciation</b>				
At 1 April 2022	105	52	48	205
Charge for the year on owned assets	26	4	27	57
At 31 March 2023	131	56	75	262
<b>Net book value</b>				
At 31 March 2023	62	12	512	586
<b>At 31 March 2022</b>	61	13	246	320

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

	2023 £000	2022 £000
Freehold	512	246
	512	246



**GROVE PLACE VILLAGE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**12. Investment property**

	<b>Freehold investment property £000</b>
<b>Valuation</b>	
At 1 April 2022	<b>19,560</b>
Deficit on revaluation	<b>(1,190)</b>
	<hr/>
<b>At 31 March 2023</b>	<b>18,370</b>
	<hr/> <hr/>

The 2023 valuations were made by Colliers, on an open market value for existing use basis.

**13. Stocks**

	<b>2023 £000</b>	<b>2022 £000</b>
Work in progress	<b>68</b>	<b>58</b>
Finished goods	<b>3</b>	<b>3</b>
	<hr/>	<hr/>
	<b>71</b>	<b>61</b>
	<hr/> <hr/>	<hr/> <hr/>

**14. Debtors**

	<b>2023 £000</b>	<b>2022 £000</b>
Trade debtors	<b>89</b>	<b>82</b>
Amounts owed by group undertakings	<b>987</b>	<b>1,753</b>
Other debtors	<b>155</b>	<b>143</b>
Prepayments and accrued income	<b>47</b>	<b>41</b>
	<hr/>	<hr/>
	<b>1,278</b>	<b>2,019</b>
	<hr/> <hr/>	<hr/> <hr/>

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

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**GROVE PLACE VILLAGE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**15. Cash and cash equivalents**

	<b>2023</b>	<i>2022</i>
	<b>£000</b>	<i>£000</i>
Cash at bank and in hand	<b>26</b>	<i>13</i>
	<u><b>26</b></u>	<u><i>13</i></u>

**16. Creditors: Amounts falling due within one year**

	<b>2023</b>	<i>2022</i>
	<b>£000</b>	<i>£000</i>
Trade creditors	<b>93</b>	<i>112</i>
Other taxation and social security	<b>15</b>	<i>22</i>
Other creditors	<b>48</b>	<i>24</i>
Accruals and deferred income	<b>112</b>	<i>73</i>
	<u><b>268</b></u>	<u><i>231</i></u>

**17. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<i>2022</i>
	<b>£000</b>	<i>£000</i>
Amounts owed to group undertakings	<b>21,525</b>	<i>20,604</i>
	<u><b>21,525</b></u>	<u><i>20,604</i></u>

The intercompany loan has a maximum facility of £12,682,523 plus interest. The loan is unsecured and accrues an interest rate of 5%.

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**GROVE PLACE VILLAGE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**18. Deferred taxation**

	<b>2023 £000</b>
At beginning of year	<b>(4,622)</b>
Charged to profit or loss	<b>297</b>
<b>At end of year</b>	<b><u>(4,325)</u></b>

The provision for deferred taxation is made up as follows:

	<b>2023 £000</b>	<b>2022 £000</b>
Timing difference on valuation of investment property	<b>(4,325)</b>	<b>(4,623)</b>
	<b><u>(4,325)</u></b>	<b><u>(4,623)</u></b>

**19. Share capital**

	<b>2023 £</b>	<b>2022 £</b>
<b>Authorised, allotted, called up and fully paid</b>		
1 (2022 - 1) Ordinary share of £1.00	<b><u>1</u></b>	<b><u>1</u></b>

**20. Reserves**

**Profit and loss account**

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

**21. 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 £22,344 (2022: £20,904). Contributions totalling £3,787 (2022: £3,641) were payable to the fund at the reporting date and are included in creditors.

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**GROVE PLACE VILLAGE LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

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**22. Related party transactions**

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain group companies on the grounds that 100% of voting rights in the company are controlled by the group.

**23. Controlling party**

The company's intermediate parent company is LifeCare Residences Limited. At 31 March 2023, the company's ultimate controlling shareholders are the family trusts of Cliff and Sue Cook.

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.