

## **SSL Group (UK) Limited**

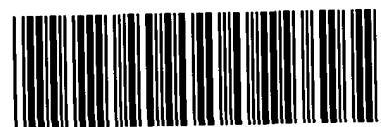
Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 09381613

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# SSL Group (UK) Limited

## Company Information

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<b>Directors</b>	W P Pryce T G Wellner L K Cox K J Kowalik H Kirk S G Gardner
<b>Registered number</b>	09381613
<b>Registered office</b>	Signature House Post Office Lane Beaconsfield Buckinghamshire HP9 1FN
<b>Independent auditor</b>	BDO LLP 2 City Place Beehive Ring Road Gatwick West Sussex RH6 0PA
<b>Bankers</b>	Barclays Private Clients International Limited Barclays House, Victoria Street Isle of Man IM99 1AJ  Barclays Commercial Bank Level 27, 1 Churchill Place London E14 5HP
<b>Solicitors</b>	Eversheds LLP 1 Wood Street London EC2V 7WS

# SSL Group (UK) Limited

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# SSL Group (UK) Limited

## Strategic Report For the year ended 31 December 2022

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### Introduction

The directors present their Strategic Report and the consolidated and company financial statements for SSL Group (UK) Limited ("the Company") and its subsidiaries (together "the Group" or "Signature Group") for the year ended 31 December 2022. SSL Group (UK) Limited acts as the holding company of the Group and did not itself trade during the year.

The principal activities of the Group are as follows:

- operation of senior living facilities providing regulated and other ancillary services within the United Kingdom. Operations are regulated by the Care Quality Commission ("CQC");
- to identify suitable sites for the development of senior living facilities and provision of development management services;
- the provision of investment management services; and
- investment in development partnerships managed by the Signature Group.

### Business review

During the financial year 2022, the Group has charged development, investment management and operating fees. Under the Signature brand 1 new care home was opened in 2022. At the financial year end, the Group was operating 38 care homes, charging investment management fees from 3 external partnerships, and was providing development management services to 5 developing care homes, with a further 5 development opportunities having been secured.

Investments held continue to be carried at fair value. The 2022 valuation of these investments reflects indirect interests in SSL Partners III LP and minority interests in SSL Partners IV LP, SSL Partners V LP and SSL Partners VI LP.

Since the year end, the Group decided to end its operating management contracts for the senior living facilities with Welltower Inc. ("Welltower homes") and continue to focus on its development opportunities. Subsequent to the year end from 1 June 2023 the Group operates 10 care homes under the Signature brand (2022: 38 care homes).

Operating management fee ("OMF") from care operations increased by £59m to £104m (2021: £45m), partly driven by the addition of 20 Welltower homes from December 2021. Overall turnover for the business increased in line with this and was £118m at the year-end (2021: £55m). Looking forward on to FY 2023, revenue is expected to reduce significantly, due to the reduction in operating homes, with a subsequent reduction in EBITDAR, however, the Group expenses have reduced rapidly leading to an overall minimal movement in profits.

# SSL Group (UK) Limited

## Group strategic report (continued) For the year ended 31 December 2022

### Key performance indicators

The Group manages a portfolio of care homes for Revera Inc. and Welltower Inc., and these care homes are branded as "Signature care homes". The directors consider the Financial Key Performance Indicators of these care homes as a useful indicator of measuring Group's performance.

	2022	2021
<b>Care Home Operations KPIs (all homes unless stated)</b>		
Care homes under management during the year (number)	38	34
Homes under construction (number)	5	6
Gross margin	6%	16%
Year-end occupancy	2,345	1,869

### Principal risks and uncertainties

The risks associated with the activities performed by the Signature Group ("Signature") may be summarised as:

#### *Non-compliance with CQC regulations*

CQC compliance achieves a high degree of focus from the Signature board. Signature seeks to ensure that the senior team is structured effectively in order to allow all individuals to perform their roles and responsibilities to a high standard, ensuring that residents' needs are always met. Internal governance procedures are in place to monitor all homes operated by Signature on a regular basis. At 31 December 2022, majority of the homes managed by Signature are rated either "Good" or "Outstanding".

#### *Downturn in the macro-economic environment*

A further downturn in the macroeconomic environment, reducing the demand for super-premium care facilities resulting in unsatisfactory levels of occupancy being achieved.

Occupancy levels within the care home sector have remained relatively strong in recent years, despite the downturn in the economic environment. Further, the majority of reports suggest that predominantly private pay operators, such as Signature, have been further sheltered from the downturn. Average occupancy levels in mature homes operated by Signature remained strong. All non-mature homes continued to lease-up. The underlying fundamentals of the market remain positive.

All risks are continually under review. The board is comprised of directors with direct relevant experience from within the care industry.

#### *Failing to comply with management contract terms, resulting in termination*

The Group provides services under management contracts. All management contracts are secure and long term in nature. There is therefore an inherent risk of termination should the company fail to meet its obligations. This risk is however deemed to be addressed via a robust management framework which ensures compliance with all key contracts.

## SSL Group (UK) Limited

Group strategic report (continued)  
For the year ended 31 December 2022

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### Section 172 Statement

The board acts in good faith and to promote the success of the Group for the benefit of its stakeholders. In doing so it has regard, amongst other matters, to:

- the likely consequences of any decision in the long term by reviewing the 5 year plan on an annual basis;
- the interests of the Group's employees as the Group aligns all employee benefits and directors reviews those benefits on a regular basis;
- the need to foster the Group's business relationships with suppliers, customers and others by managing and reviewing credit terms with suppliers and customers regularly;
- the impact of the Group's operations on the community and the environment for which the directors encourages reduction in carbon footprint and recycling throughout the homes and offices; and
- the desirability of the Group maintaining a reputation for high standards of business conduct by ensuring high care quality standard are held throughout the homes.

The directors have received guidance and training from the Company Secretary to support the performance of their statutory duties and have been briefed on the additional reporting requirements introduced by the Companies Act (Miscellaneous Reporting) Regulations 2018.

In planning and implementing the Group's corporate objectives and in all activity the business undertakes Signature aims to:

- provide world class service to every resident in the care homes Group operate;
- support and develop our teams as a best-in-class employer in every location;
- build strong relationships and be a fair and valued partner to Group's suppliers; and
- maintain an open and honest relationship with the CQC. Group works with the CQC to ensure we meet regulatory requirements and act quickly to address any issues or concerns raised.

The Group aims to provide a valuable service and to be a central part of all of the local communities in which we operate. The Group have a range of plans and initiatives to actively reduce its energy consumption to support the environment. It is central to the continued success of the business that the Group retains its reputation for high standards of resident care and business conduct.

This strategic report was approved by the board on 18/12/2023 and signed on its behalf.



**S G Gardner**  
Director

# SSL Group (UK) Limited

## Directors' report For the year ended 31 December 2022

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The directors present their report and the consolidated and company audited financial statements for the year ended 31 December 2022.

### Business review

A fair review of the business, summary of principal risks and uncertainties and information on the key performance indicators of the Group can be found in the Strategic Report on pages 1 to 3.

### Results and dividends

The consolidated loss for the year, after taxation, amounted to £4,035,686 (2021 - £7,520,730).

The directors did not recommend the payment of a dividend during the year (2021 - £Nil).

### Directors

The directors who served during the year and to the date of this report were:

A G Roche (resigned 31 July 2023)  
W P Pryce  
F Cerrone (resigned 31 December 2022)  
T G Wellner  
L K Cox  
T J Ball (resigned 27 April 2022)  
J Hardy (appointed 15 June 2022, resigned 30 September 2023)  
J H Lin (resigned 27 April 2022)  
T B Newell (resigned 30 June 2022)  
K J Kowalik (appointed 1 January 2023)  
H Kirk (appointed 1 January 2023)  
S G Gardner (appointed 5 June 2023)

### Political and charitable contributions

No political donations were made in the year (2021 - £Nil). No charitable contributions were made in the year, (2021 - £Nil).

### Qualifying third party indemnity provisions

The Group has made qualifying third-party indemnity provisions for the benefit of its directors which were in force throughout the period and at the date of this report.

# SSL Group (UK) Limited

## Directors' report (continued) For the year ended 31 December 2022

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### Going concern

The Group is currently in a net current liability position of £22,975,219 (2021 - £18,451,245) and an overall net liability position of £9,533,203 (2021 - £5,497,517). The Company has net current liabilities of £13,516,854 (2021 - £13,385,183) and an overall net asset position of £8,395,878 (2021 - £5,527,549). Both the Group and Company are therefore reliant on support from the ultimate parent company, Revera Inc., for their continued trading.

The Group performs three main activities: operating Care Homes, managing the development of Care Homes, and managing investment funds. The directors have made an assessment of the Group's and Company's going concern ability to continue as a going concern for at least a period of 12 months from signing of these financial statements. That assessment is based on the Group's and Company's cashflow forecast which has taken into account factors as applicable at each activity level, such as for the care homes management business: the reduced number of care home management contracts from June 2023, higher inflationary pressures and cost of living crisis, including sensitivities regarding the key assumptions.

For the developments' management, a consideration to the current active development projects (five at the year-end), from where the Group will generate operating cashflows, and also considered the investment management business, where the Group earns income from the management of investments for 3 external partnerships.

The directors therefore have modelled a reasonable worst-case scenario in respect to the Group's cash flow forecast and have also factored in the non-repayment of current loans to parent company (note 19) as well as the pledge for support through a letter from the ultimate parent company, Revera Inc., who has confirmed their support to the Group and its subsidiaries for at least a period of 12 months from the signing of these financial statements.

Based on above assessment, directors considers it reasonable to prepare the consolidated and company financial statements on a going concern basis.

### Future developments

The Signature Group is currently progressing a number of development opportunities. At the year-end date, 5 (2021 - 6) projects were in various stages of the development program. Once completed, each developed home will be operated and managed by the company. Two out of five development projects will generate accretive operating management fee income by the year ended 31 December 2023.

The group continues to actively search for and identify new opportunities, and the aim of the business is to ultimately develop and operate in excess of 35 Care and Nursing home facilities in prime southeast locations.

### Financial Instruments

The Group uses various financial instruments, including cash equity, trade receivables and trade payables in the course of its operations. The use of these instruments gives rise to risks associated with liquidity risk, credit risk and interest rate risk.

The directors review and agree policies to deal with each of these risks as summarised below.

#### *Liquidity risk*

The Group seeks to manage financial risk of liquidity by ensuring it has sufficient cash resources available to meet foreseeable needs at all times.

#### *Credit risk*

Majority of the customers are related parties, therefore the Group monitors cash flow as part of its day-to-day control procedures and ensures all companies have adequate cash to pay any liabilities that come due.



# **SSL Group (UK) Limited**

**Directors' report (continued)**  
**For the year ended 31 December 2022**

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## **Financial instruments (continued)**

### *Interest rate risk*

The only Group debt is owed to the Parent Company which is subject to fixed interest arrangements.

## **Employee consultation**

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group. Employees are consulted regularly on a wide range of matters affecting their current and future interests.

## **Engagement with suppliers, customers and others**

Providing exceptional care for the residents is the primary focus for the group. Formal and informal engagement with residents and their families is crucial to delivering this.

Signature Group maintains close relationships with suppliers while always aiming to achieve long term value for both parties.

Signature Group strives to be a valued partner in every community in which one of group's care homes operates.

Signature Group aims to be the employer of choice in every location and have a strong focus on ensuring all Team Members are provided with the support they need to develop their careers whilst deliver outstanding resident care.

## **Disabled employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

# SSL Group (UK) Limited

## Directors' report (continued) For the year ended 31 December 2022

### Streamlined energy and carbon reporting

During the year the Group has continued to focus on trying to reduce its carbon footprint both to help the environment and save money due to the increasing fuel prices.

For 2023 the management team committed to 3 key areas of action to reduce our consumption by a target of 8%:

- Reporting - Reporting to the business on an individual home level per half an hour to identify waste and incentivise the teams in relevant homes to reduce their usage;
- Behaviour - Establish an energy champion at head office to communicate and inform staff on disciplined around thermostats and lights; and
- Capital Expenditure - Rollout of voltage optimisation, PIR sensors, boiler control system and LED lighting.

### Streamlined Energy and Carbon Reporting (SECR) Methodology

Energy Consumption and Emissions: Our consumption was collected using a sample of invoices in the utilities consumption report and prorating to be 12 months. The emissions were calculated from the kWh using the 2021 conversion factors published on the government's SECR website.

Transport and Business Travel Emissions: The related emissions were calculated from the miles using the conversion factors published on the government's SECR website.

Summary of greenhouse annualised gas emissions and energy consumption for the financial year:

		2022	2021
Energy consumption used to calculate emissions	Kwh	187,677	153,881
Emissions from combustion of gas	tCO2e	-	-
Emissions from combustion of fuel for transport purposes	tCO2e	-	-
Emissions from business travel	tCO2e	12	6
Emissions from purchased electricity	tCO2e	24	27
Total gross emissions	tCO2e	36	33
Intensity ratio	Care Home kgCO2e per bed managed	0.011	0.010

### Intensity Factor

In selecting the intensity factor that would give the best indication of our energy efficiency overall it was noted that all the gas and electricity used is for the services being provided to the care homes. Therefore, we decided that the most representative intensity factor for the Group as a whole would be one that normalised the emissions based on the services provided for management of the care homes. We also decided that the simplest measure of their output is the number of beds in the each care home. Therefore the intensity metric we chose for the Group is "Care Home emissions per bed managed".

# SSL Group (UK) Limited

## Directors' report (continued) For the year ended 31 December 2022

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### Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

### Post balance sheet events

Post year end, the operating lease entered into by Signature Senior Lifestyle Limited during the year ended 31 December 2022, qualified as an onerous lease contract, and will be adjusted accordingly in the next financial year.

### Auditor

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

This report was approved by the board on 18/12/2023 and signed on its behalf.



**S G Gardner**  
Director

## **SSL Group (UK) Limited**

### **Directors' responsibilities statement For the year ended 31 December 2022**

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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 Group and Company 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 Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

# SSL Group (UK) Limited

## Independent auditor's report to the members of SSL Group (UK) 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 Group's and of the Parent Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of SSL Group (UK) Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 December 2022 which comprise the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of changes in equity, the Company statement of changes in equity, the Consolidated statement of cash flows and 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 Auditor's 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 Group and the Parent 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 Group or Parent 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.

# **SSL Group (UK) Limited**

## **Independent auditor's report to the members of SSL Group (UK) 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 auditor's 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 Group and the Parent 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

# SSL Group (UK) Limited

## Independent auditor's report to the members of SSL Group (UK) Limited (continued)

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### Auditor's 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 auditor's 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:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standards applicable in the UK and Republic of Ireland", the Companies Act 2006 and relevant tax compliance regulations in the United Kingdom.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

## SSL Group (UK) Limited

### Independent auditor's report to the members of SSL Group (UK) Limited (continued)

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#### Auditor's responsibilities for the audit of the financial statements (continued)

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

##### *Fraud (continued)*

Based on our risk assessment, we considered the areas most susceptible to fraud to be improper revenue recognition and management override of controls.

Our procedures in respect of the above included:

- In relation to the risk of improper revenue recognition, we tested the revenue through reperformance of detailed substantive and analytical procedures at each subsidiary level, specifically designed for the relevant revenue streams.
- In relation to the risk of management override of controls, we performed journal entry testing using data analytics and selecting samples based on unique characteristics of the journal entries.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 auditor's report.

#### Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*David Wildey*

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**David Wildey** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Gatwick  
United Kingdom

Date: 18 December 2023

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



# SSL Group (UK) Limited

## Consolidated statement of comprehensive income For the year ended 31 December 2022

	Note	2022 £	2021 £
Turnover	4	119,009,645	55,083,996
Cost of sales		(112,676,293)	(46,128,115)
<b>Gross profit</b>		<b>6,333,352</b>	<b>8,955,881</b>
Administrative expenses		(6,985,626)	(11,092,909)
Exceptional costs	11	(808,264)	(1,687,627)
Impairment of investments		(10,493)	-
<b>Operating loss</b>	5	<b>(1,471,031)</b>	<b>(3,824,655)</b>
Changes in fair value of investments	14	537,533	(783,743)
Profit on disposal of investments		-	75,813
Interest payable and similar charges	9	(3,112,770)	(2,817,719)
<b>Loss before taxation</b>		<b>(4,046,268)</b>	<b>(7,350,304)</b>
Tax on loss	10	10,582	(170,426)
<b>Loss for the financial year</b>		<b>(4,035,686)</b>	<b>(7,520,730)</b>

There was no other comprehensive income for 2022 (2021 - £Nil).

The notes on pages 21 to 49 form part of these financial statements.

**SSL Group (UK) Limited**  
Registered number:09381613

**Consolidated balance sheet**  
**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	12	25,968,962	26,242,285
Tangible assets	13	1,029,405	828,714
Investments	14	7,277,913	6,716,993
		<u>34,276,280</u>	<u>33,787,992</u>
<b>Current assets</b>			
Stocks	15	1,226,202	675,717
Debtors: amounts falling due after more than one year	16	1,329,513	2,818,931
Debtors: amounts falling due within one year	16	7,181,465	9,946,980
Cash at bank and in hand	17	44,320,555	13,656,451
		<u>54,057,735</u>	<u>27,098,079</u>
Creditors: amounts falling due within one year	18	(77,032,954)	(45,549,324)
<b>Net current liabilities</b>		<u>(22,975,219)</u>	<u>(18,451,245)</u>
<b>Total assets less current liabilities</b>		<u>11,301,061</u>	<u>15,336,747</u>
Creditors: amounts falling due after more than one year	19	(20,771,894)	(20,771,894)
<b>Provisions for liabilities</b>			
Other provisions	20	(62,370)	(62,370)
<b>Net liabilities</b>		<u>(9,533,203)</u>	<u>(5,497,517)</u>
<b>Capital and reserves</b>			
Called up share capital	23	100	100
Profit and loss account	24	(9,533,303)	(5,497,617)
<b>Equity attributable to owners of the parent Company</b>		<u>(9,533,203)</u>	<u>(5,497,517)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18/12/23



**S G Gardner**  
Director

The notes on pages 21 to 49 form part of these financial statements.

**SSL Group (UK) Limited**  
Registered number:09381613

**Company balance sheet**  
**As at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	14	42,684,626	42,684,626
		<u>42,684,626</u>	<u>42,684,626</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	16	1,421,288	2,948,031
Debtors: amounts falling due within one year	16	9,655,048	8,007,469
Cash at bank and in hand	17	10,397	479
		<u>11,086,733</u>	<u>10,955,979</u>
Creditors: amounts falling due within one year	18	(24,603,587)	(24,341,162)
<b>Net current liabilities</b>		<u>(13,516,854)</u>	<u>(13,385,183)</u>
<b>Total assets less current liabilities</b>		<u>29,167,772</u>	<u>29,299,443</u>
Creditors: amounts falling due after more than one year	19	(20,771,894)	(20,771,894)
<b>Net assets</b>		<u><u>8,395,878</u></u>	<u><u>8,527,549</u></u>
<b>Capital and reserves</b>			
Called up share capital	23	100	100
Profit and loss account carried forward		8,395,778	8,527,449
<b>Equity attributable to owners of the parent Company</b>		<u><u>8,395,878</u></u>	<u><u>8,527,549</u></u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the Parent Company for the year was £131,671 (2021 - £2,301,973).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18/12/23

  
**S G Gardner**  
Director

The notes on pages 21 to 49 form part of these financial statements.

## SSL Group (UK) Limited

### Consolidated statement of changes in equity For the year ended 31 December 2022

	Called up share capital	Profit and loss account	Total equity/ (deficit)
	£	£	£
At 1 January 2022	100	(5,497,617)	(5,497,517)
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(4,035,686)	(4,035,686)
<b>At 31 December 2022</b>	<b>100</b>	<b>(9,533,303)</b>	<b>(9,533,203)</b>

### Consolidated statement of changes in equity For the year ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	100	2,023,113	2,023,213
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(7,520,730)	(7,520,730)
<b>At 31 December 2021</b>	<b>100</b>	<b>(5,497,617)</b>	<b>(5,497,517)</b>

The notes on pages 21 to 49 form part of these financial statements.

## SSL Group (UK) Limited

### Company statement of changes in equity For the year ended 31 December 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022	100	8,527,449	8,527,549
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(131,671)	(131,671)
<b>At 31 December 2022</b>	<b>100</b>	<b>8,395,778</b>	<b>8,395,878</b>

### Company statement of changes in equity For the year ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	100	10,829,422	10,829,522
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(2,301,973)	(2,301,973)
<b>At 31 December 2021</b>	<b>100</b>	<b>8,527,449</b>	<b>8,527,549</b>

The notes on pages 21 to 49 form part of these financial statements.

## SSL Group (UK) Limited

### Consolidated statement of cash flows For the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(4,035,686)	(7,520,730)
<b>Adjustments for:</b>		
Depreciation and amortisation of fixed assets	2,404,082	1,738,288
Net fair value gains recognised in profit or loss	(537,533)	783,743
Impairment of fixed asset investments	10,493	-
Profit on disposal of investment	-	(75,813)
Intercompany loans written off	3,060,949	-
Taxation charge	(10,582)	170,426
Decrease/(increase) in debtors	2,691,728	(5,955,325)
(Increase) in stocks	(550,485)	(505,956)
(Decrease)/increase in creditors	(3,946,560)	1,607,782
Increase in provisions	-	62,370
Interest payable	3,112,770	2,817,719
<b>Net cash generated from operating activities</b>	<b>2,199,176</b>	<b>(6,877,496)</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(1,735,134)	(1,441,313)
Purchase of tangible fixed assets	(596,316)	(65,947)
Purchase of fixed asset investments	(33,880)	-
<b>Net cash from investing activities</b>	<b>(2,365,330)</b>	<b>(1,507,260)</b>

## SSL Group (UK) Limited

### Consolidated statement of cash flows (continued) For the year ended 31 December 2022

	2022 £	2021 £
<b>Cash flows from financing activities</b>		
Increase in financing from group undertakings	-	6,849,720
Money held on behalf of third parties	30,830,257	1,963,473
<b>Net cash used in financing activities</b>	<u>30,830,257</u>	<u>8,813,193</u>
<b>Net increase in cash and cash equivalents</b>	<u>30,664,103</u>	428,437
Cash and cash equivalents at beginning of year	13,656,451	13,228,014
<b>Cash and cash equivalents at the end of year</b>	<u><u>44,320,554</u></u>	<u><u>13,656,451</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	44,320,554	13,656,451
	<u><u>44,320,554</u></u>	<u><u>13,656,451</u></u>

The notes on pages 21 to 49 form part of these financial statements.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 1. General information

SSL Group (UK) Limited is a private Company incorporated in England and Wales under the Companies Act. It is a Company limited by shares. The address of the registered office is given on the Company information page and the nature of the Company's operations and principal activities are given in the Strategic report and the Directors' report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

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

The financial statements are presented in Sterling which is the functional currency of the Group and rounded to the nearest pound.

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the year has been presented as the reconciliations for the Group and the Parent Company would be identical;
- no cash flow statement or net debt reconciliation has been presented for the Parent Company;
- disclosures in respect of the Parent Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the totals for the Group as a whole.



# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.3 Going concern

The Group is currently in a net current liability position of £22,975,219 (2021 - £18,451,245) and an overall net liability position of £9,533,203 (2021 - £5,497,517). The Company has net current liabilities of £13,516,854 (2021 - £13,385,183) and an overall net asset position of £8,395,878 (2021 - £8,527,549). Both the Group and Company are therefore reliant on support from the ultimate Parent Company, Revera Inc., for their continued trading.

The Group performs three main activities: operating Care Homes, managing the development of Care Homes, and managing investment funds. The directors have made an assessment of the Group's and Company's going concern ability to continue as a going concern for at least a period of 12 months from signing of these financial statements. That assessment is based on the Group's and Company's cashflow forecast which has taken into account factors as applicable at each activity level, such as for the care homes management business: the reduced number of care home management contracts from June 2023, higher inflationary pressures and cost of living crisis, including sensitivities regarding the key assumptions.

For the developments' management, a consideration to the current active development projects (five at the year-end), from where the Group will generate operating cashflows, and also considered the investment management business, where the Group earns income from the management of investments for 3 external partnerships.

The directors therefore have modelled a reasonable worst-case scenario in respect to the Group's cash flow forecast and have also factored in the non-repayment of current loans to parent company (note 19) as well as the pledge for support through a letter from the ultimate parent company, Revera Inc., who has confirmed their support to the Group and its subsidiaries for at least a period of 12 months from the signing of these financial statements.

Based on above assessment, directors considers it reasonable to prepare the consolidated and company financial statements on a going concern basis.

#### 2.4 Turnover

Turnover comprises fees receivable from the Group's principal activities of developing and operating senior living communities that provide regulated and other ancillary services and investment management services, exclusive of value added tax and trade discounts.

Development turnover: Turnover on long-term contracts is recognised as the work is carried out once the final outcome of the contract can be assessed with reasonable certainty. The turnover recognised is calculated on a basis that reflects the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover derived from variations on contracts is recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Operating turnover: This is the turnover based on the provision of composite welfare services provided by the Group, exclusive of VAT. Operating turnover is recognised to the extent the group has met its performance obligation under its care management contracts.

Investment management turnover: This comprises turnover recognised by the group in respect of management fees, exclusive of VAT. Turnover is recognised to the extent that the company has performed its contractual obligations.

All turnover arises within the United Kingdom.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.5 Intangible assets

Intangible assets that relate to the acquisition of a legal right to secure income over the lifetime of a contract entered into by the Company and other group entities are capitalised and amortised through profit or loss over the lifetime of the contract of 10 years.

Intangible fixed assets that relate to existing licence agreements and contracts of the Group's operations of senior living communities are amortised over the directors' estimate of the useful economic life of the contracts and agreements of 30 years.

Intangible fixed assets that relate to existing licence agreements and contracts of the Group's management operations are amortised over the directors' estimate of the useful economic life of the contracts and agreements between 6 and 45 years.

Intangible fixed assets relating to computer software are amortised over their expected useful economic life of 3 years.

Goodwill is amortised over the directors' estimate of the useful life of the intangible of 45 years.

Impairment reviews on the carrying value of the intangible assets are undertaken:

- at the end of the first full year following acquisition; and
- in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation and impairment charged in the year is shown within administrative expenses in profit or loss.

#### 2.6 Tangible fixed assets

Tangible fixed assets 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.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 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 on the following basis:

Buildings	- 2% straight line
Fixtures and fittings and equipment	- 10 - 33.33% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, 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 within profit or loss.

#### 2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in partnerships have been classified as fixed asset investments as the group intends to hold them on a continuing basis and are remeasured to fair value at each reporting date. Gains and losses on remeasurement are recognised in profit or loss for the year.

#### 2.8 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

#### 2.9 Stocks and work in progress

Work in progress is shown at the lower of cost or net realisable value. Work in progress relates to the direct costs including options over land and buildings, legal and professional fees and other consultancy fees incurred in respect of potential development sites, which the Group is currently investigating for other Group companies. Provision is made in respect of costs incurred where site acquisition and appraisal is or is more likely than to be aborted.

Once the site for development is approved and agreed milestones are achieved, the work in progress can be charged to the development partners as turnover by the company.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.11 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### 2.12 Financial instruments

With the exception of fixed asset investments, the Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of an instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 2.13 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.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.14 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.

#### 2.15 Current and deferred taxation

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

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.

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

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and

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 income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### 2.16 Leased assets: Lessee

All leases are treated as operating leases. Their annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

#### 2.17 Pension costs

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group 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 other creditors as a liability in the Consolidated balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

#### 2.18 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group 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 Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 Consolidated balance sheet.

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

In preparing these financial statements, the directors have made the following judgements:

- Determining whether leases entered into by the Group as lessee are operating or finance leases. This decision depends on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- *Fair values of the group's investments (note 14)*

The fair value of the Group's investments involve the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The estimation of the fair values requires the combination of assumptions including revenue growth, sales mix and volumes, rental values and increases and customer attrition rates. In addition the use of discount rates requires judgement.

#### Other key sources of estimation uncertainty

- Turnover from development of senior living communities (see note 4)

Management estimation is required to determine the expected date of completion of each long-term construction contract and thus the period over which to recognise the related turnover. Factors taken into consideration include costs incurred as a proportion of total costs budgeted and trajectory of similar previous long-term construction contracts.

- *Intangibles (see note 12)*

Intangible fixed assets are being amortised over the directors' estimate of its useful life. These estimates are based on a variety of factors such as the expected use of the intangible, the expected useful life of the cash generating units to which the intangible is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 3. Judgements in applying accounting policies (continued)

Other key sources of estimation uncertainty (continued)

- *Tangible fixed assets (see note 13)*

Tangible fixed assets 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 a 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.

- *Work in progress (see note 15)*

Management estimation is required to determine whether there are any indicators of impairment of the Group's work in progress. Factors taken into consideration in reaching such a decision include the current status of planning permission applications and the likelihood of further development being aborted.

- *Deferred tax (see note 22)*

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

### 4. Analysis of turnover

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

	2022 £	2021 £
Development of senior living communities	3,541,773	3,115,524
Operation of senior living communities	114,604,876	51,244,881
Investment management fees	862,996	723,591
	<u>119,009,645</u>	<u>55,083,996</u>

All turnover arose within the United Kingdom.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 5. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	395,625	383,094
Amortisation of intangible assets, including goodwill	2,008,457	1,355,194
Operating leases:		
- other operating leases in respect of land and buildings	367,797	120,547
Defined contribution pension cost	3,281,242	1,583,442

### 6. Auditor's remuneration

During the year, the Group obtained the following services from the Company's auditor and its associates:

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Parent and Group annual financial statements	48,300	53,930
Fees payable to the Company's auditor for the audit of the other group companies' annual financial statements	156,700	174,970
Fees payable to the Company's auditor and its associates in respect of other services relating to taxation	244,987	50,171
Fees payable to the Company's auditor for financial statements preparation services	27,870	19,200

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	95,610,815	45,162,975	-	-
Social security costs	9,468,249	2,897,768	-	-
Cost of defined contribution pension scheme	3,281,242	1,583,442	-	-
	108,360,306	49,644,185	-	-



# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 7. Employees (continued)

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

	2022 No.	2021 No.
Nursing Home operations	3,824	1,822
Administration	183	95
	<u>4,007</u>	<u>1,917</u>

There were no employees in the Parent Company other than the directors.

### 8. Directors' remuneration

	2022 £	2021 £
Wages and salaries	1,283,739	1,377,947
Social security costs	170,193	176,300
Pension costs	12,310	15,405
	<u>1,466,242</u>	<u>1,569,652</u>

The highest paid director received remuneration of £469,756 (2021 - £417,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2021 - £Nil).

The number of directors in the defined contribution pension scheme was 2 (2021 - 2).

### 9. Interest payable and similar charges

	2022 £	2021 £
Loans from group undertakings	<u>3,112,770</u>	<u>2,817,719</u>

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 10. Taxation on loss on ordinary activities

	2022 £	2021 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(423,838)	638,888
Effect of tax rate change on opening balances	5,189	(469,876)
Adjustment in respect of prior periods	408,067	1,414
<b>Total deferred tax</b>	<b>(10,582)</b>	<b>170,426</b>
<b>Taxation on loss for the financial year</b>	<b>(10,582)</b>	<b>170,426</b>

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

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

	2022 £	2021 £
Loss on ordinary activities before tax	(4,046,268)	(7,350,304)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(768,791)	(1,396,558)
<b>Effects of:</b>		
Adjustment to brought forward values	-	480,399
Expenses not deductible for tax purposes	2,390,810	588,857
Income tax not adjustable for tax purposes	(1,593,494)	(136,187)
Adjustment in respect of prior periods - deferred tax	408,067	1,414
Effect of change in tax rate	187,443	(1,923,129)
Unrecognised deferred tax asset	(917,020)	2,555,497
Allocation of taxable income	282,403	-
Other adjustments	-	133
<b>Total tax (credit)/charge for the year</b>	<b>(10,582)</b>	<b>170,426</b>

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 10. Taxation on loss on ordinary activities (continued)

#### Factors that may affect future tax charges

The Group has losses available for use against profits in future years of approximately £26,860,000 (2021 - £26,800,000). Deferred taxation of £6,715,000 (2021 - £6,715,000) in relation to the losses has not been recognised. In accordance with the Group's accounting policy this amount has not been recognised in the consolidated financial statements due to uncertainty surrounding the timing of future taxable profits of the Group available for offset. The remaining deferred tax asset of £1,329,513 (2021 - £1,318,931) has been recognised as the directors consider it recoverable against future profits.

The net reversal of deferred tax assets and liabilities expected in the next financial year is £Nil (2021 - £Nil).

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate to from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

### 11. Exceptional costs

	2022 £	2021 £
Restructuring costs	808,264	1,687,627

Restructuring costs are costs which arose as a result of restructuring carried out by Signature Group UK and borne mostly by the company being a cost centre. This restructuring was a result of Signature acquiring the additional 18 operational care homes' business during the year ended 31 December 2021, where Signature will act as operational manager. During the current year, the company incurred a significant amount of costs to enhance the care homes in line with the Signature brand. These costs were being incurred until the contract ended post year end.

## SSL Group (UK) Limited

Notes to the financial statements  
For the year ended 31 December 2022

### 12. Intangible assets

#### Group

	Legal rights £	Intellectual property £	License agreements and contracts £	Computer software £	Goodwill £	Total £
<b>Cost</b>						
At 1 January 2022	680,000	12,002,602	23,469,010	1,441,313	712,896	38,305,821
Additions	-	-	-	1,735,134	-	1,735,134
At 31 December 2022	680,000	12,002,602	23,469,010	3,176,447	712,896	40,040,955
<b>Amortisation</b>						
At 1 January 2022	680,000	1,848,336	8,610,029	265,561	659,610	12,063,536
Charge for the year	-	400,087	782,300	810,228	15,842	2,008,457
At 31 December 2022	680,000	2,248,423	9,392,329	1,075,789	675,452	14,071,993
<b>Net book value</b>						
At 31 December 2022	-	9,754,179	14,076,681	2,100,658	37,444	25,968,962
At 31 December 2021	-	10,154,266	14,858,981	1,175,752	53,286	26,242,285

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 13. Tangible fixed assets

#### Group

	Land and buildings £	Fixtures, fittings, tools and equipment £	Total £
<b>Cost</b>			
At 1 January 2022	3,856	1,577,858	1,581,714
Additions	-	596,316	596,316
At 31 December 2022	3,856	2,174,174	2,178,030
<b>Depreciation</b>			
At 1 January 2022	3,856	749,144	753,000
Charge for the year	-	395,625	395,625
At 31 December 2022	3,856	1,144,769	1,148,625
<b>Net book value</b>			
At 31 December 2022	-	1,029,405	1,029,405
At 31 December 2021	-	828,714	828,714

## SSL Group (UK) Limited

### Notes to the financial statements For the year ended 31 December 2022

#### 14. Fixed asset investments

##### Group

	Investments £
<b>Cost or valuation</b>	
At 1 January 2022	6,716,993
Additions	33,880
Revaluations	537,533
Impairment	(10,493)
At 31 December 2022	<u>7,277,913</u>

The above represents investments in four limited partnerships, SSL Partners III LP, SSL Partners IV LP, SSL Partners V LP and SSL Partners VI LP. The investments represent 20% of the Partnership III's capital, 0.2% of Partnership IV's capital and 50% of Partnership V's capital. The Group's investment in SSL Partners VI Limited, through Signature Senior Lifestyle Investments V Limited is 0.1% share in each of SSL Hornchurch Unit Trust, SSL Enfield Unit Trust and SSL Surbiton Unit Trust, the 100% subsidiaries of SSL Partners VI Limited. The fair value at the year end represents the Group's percentage ownership of the fair value of the partnership's net assets. In addition to the investments, other subsidiaries in the Group act as General Partners to the Partnerships. During the year the Group received distributions of £Nil (2021 - £Nil) from the Partnerships.

Notwithstanding the level of capital invested in SSL Partners III LP, SSL Partners IV LP, SSL Partners V LP and SSL Partners VI LP and its role as General Partner in the funds, the directors of the Group have, with the benefit of legal consultation, established that they are unable to exercise significant influence over the Partnerships and, as a consequence, the Partnerships are not regarded as either associates or subsidiaries of the Group.

Also included within investments is £600 (2021: £600) representing a minority interest in two Scottish partnerships, none of which were active during the current or prior year. This has impacted the Group's future tax charge accordingly.

##### Company

	Investments in subsidiary companies £
<b>Cost</b>	
At 1 January 2022	42,684,626
At 31 December 2022	<u>42,684,626</u>

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 14. Fixed asset investments (continued)

#### Direct subsidiary undertaking

The following were direct subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Signature Senior Lifestyle Holdings Limited	Holding company	Ordinary	100%

#### Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Signature Senior Lifestyle Finance Limited	Group finance	Ordinary	100%
Signature Senior Lifestyle Limited	Provision of group administration and support services	Ordinary	100%
Signature Senior Lifestyle Developments Limited	Identify and evaluate new sites and provision of development management services	Ordinary	100%
Signature Senior Lifestyle Investment Management Limited	Provision of investment management services to SSL Partners III LP, SSL Partners IV LP and SSL Partners VI LP	Ordinary	100%
Signature Senior Lifestyle Operations Limited	Provision of a composite supply of welfare services	Ordinary	100%
Signature Lessee Limited	Provision of domiciliary care services	Ordinary	100%
Signature Lessee I Limited	Intermediate holding company	Ordinary	100%
Signature Senior Lifestyle Investments III Limited	Investment company	Ordinary	100%
Signature Senior Lifestyle GP III LLP	General Partner	Designated Member	100%
Signature Senior Lifestyle Nominee III Limited	Nominee holding company	Ordinary	100%
Signature SLP GP Limited	General Partner	Ordinary	100%
Signature Senior Lifestyle GP IV LLP	General Partner	Designated Member	100%
Signature Senior Lifestyle Investments IV Limited	Investment company	Ordinary	100%
SSL Investments (DP3) LP	Investment company	Partner	100%
Signature Senior Lifestyle GP V LLP	General Partner	Designated Member	100%
Signature Senior Lifestyle Investments V Limited	Investment company	Ordinary	100%
SSL DPGT 1 Ltd.	Non-trading	Ordinary	100%
SSL DPGT 2 Ltd.	Non-trading	Ordinary	100%
SSL Highgate Nominee Limited	Provision of nominee shareholding services	Ordinary	100%
SSL Caversham Nominee Limited	Provision of nominee shareholding services	Ordinary	100%
SSL Farnham Common Nominee Limited	Provision of nominee shareholding services	Ordinary	100%

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 14. Fixed asset investments (continued)

#### Indirect subsidiary undertakings (continued)

Name	Principal activity	Class of shares	Holding
SSL Farnham Common GP LLP	General Partner and provision of management and administrative services	Designated Member	100%
SSL Caversham GP LLP	General Partner and provision of management and administrative services	Designated Member	100%
SSL Highgate GP LLP	General Partner and provision of management and administrative services	Designated Member	100%

All entities have been included within these consolidated financial statements.

All entities have the same registered office and country of incorporation as the Company, as detailed on the Company information page, with the exception of Signature SLP GP Limited and SSL Investments (DP3) LP whose registered office is 1, Exchange Crescent, Conference Square, Edinburgh, EH3 8UL and whose country of incorporation is Scotland.

On 30 December 2022, Signature Lessee Limited and Signature Lessee I Limited were placed in voluntary liquidation.

At 31 December 2022, it is the intention of the members of Signature Senior Lifestyle GP V LLP to voluntarily liquidate the LLP.

### 15. Stocks

	Group 2022 £	Group 2021 £
Work in progress	1,226,202	675,717

#### Replacement cost

Included in the amount shown above for stocks of raw materials and consumables are items valued at cost calculated on a first in, first out basis. The replacement cost of these items at 31 December 2022 and 31 December 2021 was not materially different than the amount at which they are included in the financial statements.



# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 16. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
<b>Due after more than one year</b>				
Amounts owed by group undertakings	-	1,500,000	-	1,500,000
Deferred tax asset (see note 22)	1,329,513	1,318,931	1,421,288	1,448,031
	<u>1,329,513</u>	<u>2,818,931</u>	<u>1,421,288</u>	<u>2,948,031</u>

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
<b>Due within one year</b>				
Trade debtors	-	214,106	-	-
Amounts owed by group undertakings	-	1,329,047	9,637,964	8,007,469
Other debtors	760,962	293,821	17,084	-
Prepayments and accrued income	6,420,503	8,110,006	-	-
	<u>7,181,465</u>	<u>9,946,980</u>	<u>9,655,048</u>	<u>8,007,469</u>

### 17. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>44,320,554</u>	<u>13,656,451</u>	<u>10,397</u>	<u>479</u>

## SSL Group (UK) Limited

### Notes to the financial statements For the year ended 31 December 2022

#### 18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	114,498	25,856	-	-
Amounts owed to group undertakings	-	4,634,736	2,507,990	7,134,954
Amounts owed to parent	9,987,930	8,231,341	9,987,930	8,231,341
Other taxation and social security	2,744,918	1,386,491	-	-
Other creditors	43,614,528	15,796,706	30	-
Accruals and deferred income	20,571,080	15,474,194	12,107,637	8,974,867
	<u>77,032,954</u>	<u>45,549,324</u>	<u>24,603,587</u>	<u>24,341,162</u>

Included within creditors is £42,909,851 (2021 - £12,079,594) relating to bank accounts held by the Group in the name of third parties. This amount is reflected in cash and cash equivalents with an equal liability reflected in other creditors to reflect that the Group does not benefit directly from it.

Amounts owed to parent are unsecured, interest free and repayable on demand.

#### 19. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts owed to parent	<u>20,771,894</u>	<u>20,771,894</u>	<u>20,771,894</u>	<u>20,771,894</u>

At 31 December 2021, the loan of £20,771,894 (2021 - £20,771,894) was repayable in full on 30 June 2023. The loan bears interest at 10% per annum. During the year, the loan's maturity has been extended to 30 June 2025. The loan is secured by a fixed and floating charge over the assets of the Group and the assets of the Company's immediate and ultimate Parent Company.

#### 20. Provisions

##### Group

	Dilapidations provision £
At 1 January 2022	62,370
At 31 December 2022	<u>62,370</u>

The dilapidation provision represents the best estimate of costs required to return leased properties to their original condition upon termination of the lease.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 21. Financial instruments

	Group 2022 £	Group 2021 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>7,277,913</u>	<u>6,716,993</u>

Financial assets measured at fair value through profit or loss comprise fixed asset investments in partnerships (see note 14).

### 22. Deferred taxation

#### Group

	2022 £
At beginning of year	1,318,931
Charged to profit or loss	10,582
<b>At end of year</b>	<u><b>1,329,513</b></u>

#### Company

	2022 £
At beginning of year	1,448,031
Charged to profit or loss	(26,743)
<b>At end of year</b>	<u><b>1,421,288</b></u>

The deferred tax asset is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Losses and other deductions	1,546,093	1,558,486	1,421,288	1,448,031
Fixed asset timing differences	(365,759)	(300,666)	-	-
Short term timing differences	149,179	61,111	-	-
	<u>1,329,513</u>	<u>1,318,931</u>	<u>1,421,288</u>	<u>1,448,031</u>

## SSL Group (UK) Limited

### Notes to the financial statements For the year ended 31 December 2022

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#### 23. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
100 (2021 - 100) Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

#### 24. Reserves

The Group and Company's reserves are as follows:

##### Profit and loss account

Profit and loss account represents cumulative profits or losses net of dividends paid and other adjustments.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 25. Analysis of net debt

	At 1 January 2022 £	Cash flows £	Other non- cash changes £	At 31 December 2022 £
Cash at bank and in hand	13,656,451	30,664,103	-	44,320,554
Money held in the name of third parties	(12,079,594)	(30,830,257)	-	(42,909,851)
Debt due after 1 year	(20,771,894)	-	-	(20,771,894)
Debt due within 1 year	(12,866,077)	(182,802)	3,060,949	(9,987,930)
	<u>(32,061,114)</u>	<u>(348,956)</u>	<u>3,060,949</u>	<u>(29,349,121)</u>

### 26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £3,281,242 (2021 - £1,583,442). Contributions totalling £596,718 (2021 - £244,446) were payable to the fund at the reporting date.

### 27. Commitments under operating leases

At 31 December 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Not later than 1 year	175,837	38,740
Later than 1 year and not later than 5 years	1,302,426	-
Later than 5 years	1,096,780	-
	<u>2,575,043</u>	<u>38,740</u>

The Company had no commitments under non-cancellable operating leases at the reporting date.

## SSL Group (UK) Limited

### Notes to the financial statements For the year ended 31 December 2022

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#### 28. Related party transactions

The Company's ultimate Parent Company is Revera Inc., a Company incorporated in Canada, this is the smallest and largest group into which these financial statements are consolidated. The registered office address of Revera Inc. is 5015 Spectrum Way, Suite 600 Mississauga, Ontario. Consolidated accounts are not publicly available. The directors consider the ultimate controlling party to be The Public Sector Pension Investment Board, a Canadian Crown entity registered in Canada.

As set out in note 14, the Group's wholly owned subsidiary Signature Senior Lifestyle GP III LLP acts as a general partner to the SSL Partners III Limited Partnership. Signature of Reigate (Operations) Limited is regarded as related party as it is owned by SSL Partners III LP. Set out below is a summary of the related party transactions and balances which occurred during the year.

- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £3,985,486 (2021 - £3,367,285) to Signature of Reigate (Operations) Limited, of which £186,589 was part of deferred income (2021 - £185,649) at the year end. Also at the year end, £754,723 (2021 - £19,130) was owed to Signature of Reigate (Operations) Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Limited charged composite welfare service fees and other fees of £32,089 (2021 - £12,556) to Signature of Reigate (Operations) Limited, of which £Nil (2021 - £7,906) was outstanding at the year end.
- During the year, Signature Senior Lifestyle Limited recharged costs of £3,208 (2021 - £3,208) to SSL Partners III LP, of which £1,925 (2021 - £1,925) was outstanding at the year end.
- During the year, Signature Senior Lifestyle Investment Management Limited charged investment management fees of £226,930 (2021 - £226,930) to SSL Partners III LP, of which £Nil (2021 - £Nil) was outstanding at the year end.

As set out in note 15, the Group's wholly owned subsidiary Signature Senior Lifestyle GP IV LLP acts as a general partner to the SSL Partners IV Limited Partnership. Consequently, SSL Partners IV LP and its subsidiary undertakings are regarded as related parties. Set out below is a summary of the related party transactions and balances which occurred during the year.

- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £163,972 (2021 - £243,649) and recharged costs of £15,039 (2021 - £Nil) to SSL Farnham Common Unit Trust. At the year end, £Nil (2021 - £Nil) was due from SSL Farnham Common Unit Trust. Also at the year end, £568,267 (2021 - £169,957) was owed to SSL Farnham Common Unit Trust from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £182,047 (2021 - £252,474) and recharged costs of £10,250 (2021 - £24,850) to SSL Caversham Unit Trust. At the year end, £12,486 (2021 - £Nil) was due from SSL Caversham Unit Trust. Also at the year end, £858,269 (2021 - £388,654) was owed to SSL Caversham Unit Trust from the Company in respect of cash held on their behalf.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 29. Related party transactions (continued)

- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £793,323 (2021 - £1,060,912) and recharged expenses of £34,600 (2021 - £107,693) to SSL Highgate Unit Trust. At the year end, £53,959 (2021 - £10,680) was due from SSL Highgate Unit Trust. Also at the year end, £569,553 (2021 - £547,112) was owed to SSL Highgate Unit Trust from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Limited recharged costs of £9,623 (2021 - £9,623) to SSL Partners IV LP, of which £5,774 (2021 - £5,774) was outstanding at the year end.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees to SSL Caversham Unit Trust and SSL Farnham Common Unit Trust of £45,000 each respectively (2021 - £45,000). No amounts were owing to or from the Company at the year end.
- During the year, Signature Senior Lifestyle Investment Management Limited charged investment management fees of £469,661 (2021 - £496,661) to SSL Partners IV LP, of which £Nil (2021 - £Nil) was outstanding at the year end.

SSL Enfield Unit Trust and SSL Hornchurch Unit Trust (formerly SSL Emerson Park Unit Trust) are regarded as related parties as they are owned by SSL Partners VI LP as at 31 December 2022. The group has co-investment in SSL Partners VI LP and co-investment in the General Partner to SSL Partners VI LP. On 25 April 2022, SSL Enfield Unit Trust and SSL Emerson Park Unit Trust SSL Hornchurch Unit Trust (formerly SSL Emerson Park Unit Trust) were sold from SSL Partners V LP to SSL Partners VI LP. Prior to this date, the entities were regarded as related parties as a fellow subsidiary of the company was the General Partner to SSL Partners V LP, a fund in which the group has co-investment of 50%.

- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £537,512 (2021 - £33,213) recharged costs of £622,198 (2021 - £10,191) to SSL Enfield Unit Trust. At the year end, £61,254 (2021 - £Nil) was due from SSL Enfield Unit Trust. Also at the year end, £143,568 (2021 - £40,668) was owed to SSL Enfield Unit Trust from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £275,300 (2021 - £356,924) and recharged costs of £660,429 (2021 - £9,900) to SSL Hornchurch Unit Trust (formerly SSL Emerson Park Unit Trust). At the year end, £47,263 (2021 - £Nil) was due from SSL Hornchurch Unit Trust (formerly SSL Emerson Park Unit Trust). Also at the year end, £193,777 (2021 - £8,904) was owed to SSL Hornchurch Unit Trust (formerly SSL Emerson Park Unit Trust) from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Investment Management Limited charged investment management fees of £139,405 (2021 - £Nil) to SSL Partners VI LP, of which £126,001 (2021 - £Nil) was outstanding at the year end. Also at the year end, £12,228,558 (2021 - £137,856) was owed to SSL Partners VI LP from Signature Senior Lifestyle Developments Limited in respect of cash held on their behalf.
- At the year end, £2,297,963 (2021 - £61,200) was owed to SSL Partners V LP from Signature Lifestyle Developments Limited in respect of cash held on their behalf.

## SSL Group (UK) Limited

### Notes to the financial statements For the year ended 31 December 2022

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#### 29. Related party transactions (continued)

Revera UK Holdings Limited, a subsidiary of the ultimate parent Company Revera Inc., holds a 25% investment in Redwood Tower Devco 2 Limited (formerly Signature Devco 2 Property Holdings Limited) which owns a 8.325% investment in Redwood Tower Devco 3 Limited (formerly Signature Devco 3 Property Holdings Limited), Redwood Tower Devco 4 Limited (formerly Signature Devco 4 Property Holdings Limited), Signature Devco 5 Property Holdings Limited, and Redwood Tower Devco 6 Limited (formerly Signature Devco 6 Property Holdings Limited) respectively. Consequently, these companies are regarded as related parties. Set out below is a summary of the related party transactions and balances which occurred during the year.

- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £Nil (2021 - £135,885) to Redwood Tower Devco 2 Limited (formerly Signature Devco 2 Property Holdings Limited). At the year end, £259,063 (2021 - £357,641) was owed to Redwood Tower Devco 2 Limited (formerly Signature Devco 2 Property Holdings Limited) from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £Nil (2021 - £316,776) and recharged costs of £10,137 (2021 - £7,153) to Redwood Tower Devco 3 Limited (formerly Signature Devco 3 Property Holdings Limited). At the year end, £Nil (2021 - £Nil) was due from Redwood Tower Devco 3 Limited (formerly Signature Devco 3 Property Holdings Limited). Also at the year end, £433,570 (2021 - £442,764) was owed to Redwood Tower Devco 3 Limited (formerly Signature Devco 3 Property Holdings Limited) from the Company in respect of cash held on their behalf.
- At the year end, £2,880 (2021: £Nil) was owed to Redwood Tower Devco 4 Limited (formerly Signature Devco 4 Property Holdings Limited) from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £Nil (2021: £403,457) and recharged costs of £12,463 (2021- £5,605) to Signature Devco 5 Property Holdings Limited. At the year end, £59,604 (2021: £59,604) was due from Signature Devco 5 Property Holdings Limited. Also at the year end, £105,655 (2021: £93,531) was owed to Signature Devco 5 Property Holdings Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Developments Limited charged development management fees of £20,251 (2021 - £359,847) and recharged costs of £12,877 (2021 - £2,630) to Redwood Tower Devco 6 Limited (formerly Signature Devco 6 Property Holdings Limited). At the year end, £Nil (2021 - £Nil) was due from Redwood Tower Devco 6 Limited (formerly Signature Devco 6 Property Holdings Limited). Also at the year end, £19,502 (2021 - £128,558) was owed to Redwood Tower Devco 6 Limited (formerly Signature Devco 6 Property Holdings Limited) from the Company in respect of cash held on their behalf.



# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 29. Related party transactions (continued)

Revera UK Holdings Limited, a subsidiary of the ultimate parent Company Revera Inc., holds a 25% investment in Redwood Tower UK Opco 2 Limited (formerly WR Operations 1 Limited) and Redwood Tower UK Opco 1 Limited (formerly WR Signature Operations Limited). Consequently, Redwood Tower UK Opco 2 Limited (formerly WR Operations 1 Limited) and Redwood Tower UK Opco 1 Limited (formerly WR Signature Operations Limited) are regarded as related parties. Set out below is a summary of the related party transactions and balances which occurred during the year.

- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £24,641,708 (2021 - £12,083,279) to Redwood Tower UK Opco 1 Limited (formerly WR Signature Operations Limited). At the year end, £1,383,848 was part of deferred income (2021 - £673,538 owed by Redwood Tower UK Opco 1 Limited (formerly WR Signature Operations Limited)). Also at the year end, £4,000,336 (2021 - £2,172,050) was owed to Redwood Tower UK Opco 1 Limited (formerly WR Signature Operations Limited) from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Limited charged composite welfare service fees and other fees of £191,841 (2021 - £86,333) to Redwood Tower UK Opco 1 Limited (formerly WR Signature Operations Limited), of which £Nil (2021 - £50,863) was outstanding at the year end.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £25,178,107 (2021 - £14,833,070) to Redwood Tower UK Opco 2 Limited (formerly WR Operations 1 Limited). At the year end, £935,291 was part of deferred income (2021 - £1,242,580 owed by Redwood Tower UK Opco 2 Limited (formerly WR Operations 1 Limited)). Also at the year end, £14,473,725 (2021 - £7,832,328) was owed to Redwood Tower UK Opco 2 Limited (formerly WR Operations 1 Limited) from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Limited charged administration services of £160,874 (2021 - £89,702) to Redwood Tower UK Opco 2 Limited (formerly WR Operations 1 Limited), of which £Nil (2021 - £37,434) was outstanding at the reporting date.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

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### 29. Related party transactions (continued)

During the year from 1 June 2021, the operations of WR Operations 2 Limited, WR Operations 3 Limited, WR Operations 4 Limited, WR Operations 5 Limited, WR Operations 6 Limited and WR Operations 7 Limited were hived up into WR Operations 1 Limited, and that of Wimbledon Opco Limited into WR Signature Operations Limited, therefore, the composite welfare fee charged from 1 January 2021 to 30 May 2021 to these entities up to the date of hive up is excluded from the total composite welfare fee charge disclosed as below and above for WR Operations 1 Limited and WR Signature Operations Limited respectively.

- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2021 - £1,750,480) to WR Operations 5 Limited. At the year end, £Nil (2021 - £Nil) was due from WR Operations 5 Limited. Also at the year end, £Nil (2021 - £Nil) was owed to WR Operations 5 Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2021 - £1,656,070) to WR Operations 2 Limited. At the year end, £Nil (2021 - £Nil) was due from WR Operations 2 Limited. Also at the year end, £Nil (2021 - £Nil) was owed to WR Operations 2 Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2021 - £1,710,120) to WR Operations 3 Limited. At the year end, £Nil (2021 - £Nil) was due from WR Operations 3 Limited. Also at the year end, £Nil (2021 - £Nil) was owed to WR Operations 3 Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2021 - £1,667,240) to WR Operations 4 Limited. At the year end, £Nil (2021 - £Nil) was due from WR Operations 4 Limited. Also at the year end, £Nil (2021 - £Nil) was owed to WR Operations 4 Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2021 - £1,166,090) to WR Operations 7 Limited. At the year end, £Nil (2021 - £Nil) was due from WR Operations 7 Limited. Also at the year end, £Nil (2021 - £Nil) was owed to WR Operations 7 Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2021 - £1,339,950) to WR Operations 6 Limited. At the year end, £Nil (2021 - £Nil) was due from WR Operations 6 Limited. Also at the year end, £Nil (2021 - £Nil) was owed to WR Operations 6 Limited from the Company in respect of cash held on their behalf.
- During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £Nil (2022 - £1,164,920) to Wimbledon Opco Limited. At the year end, £Nil (2021 - £Nil) was due from Wimbledon Opco Limited. Also at the year end, £Nil (2021 - £Nil) was owed to Wimbledon Opco Limited from the Company in respect of cash held on their behalf.

# SSL Group (UK) Limited

## Notes to the financial statements For the year ended 31 December 2022

### 29. Related party transactions (continued)

Willow Tower Opco 1 Limited is regarded as a related party as a group Company has a co-investment of 10% in Signature Senior Lifestyle Operations Limited. During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees to Willow Tower Opco 1 of £54,309,247 (2021 - £4,963,401). At the year end Willow Tower Opco 1 Limited owed the Company £2,585,924 (2021 - £4,963,401). Also at the year end, £5,359,927 (2021 - £Nil) was owed to Willow Tower Opco 1 Limited from the Company in respect of cash held on their behalf. During the year, Signature Senior Lifestyle Limited charged administration services of £524,700 (2021 - £Nil) to Willow Tower Opco 1 Limited, of which £Nil (2021 - £Nil) was outstanding at the year end. During the year, the Signature Senior Lifestyle Developments Limited charged development management fees of £239,855 (2021 - £Nil) and recharged costs of £11,250 (2021 - £Nil) to Willow Tower Opco 1 Limited. At the year end, £47,170 (2021 - £Nil) was due from Willow Tower Opco 1 Limited.

Signature of Hertford (Operations) Limited is regarded as a related party as a group Company has 100% equity interest in the Company. During the year, Signature Senior Lifestyle Operations Limited charged composite welfare services fees of £3,504,960 (2021 - £3,425,945) to Signature of Hertford (Operations) Limited of which £199,771 was part of deferred income at the year end (2021 - £174,183). Also at the year end, £202,136 (2021 - £22,536) was owed to Signature of Hertford (Operations) Limited from the Company in respect of cash held on their behalf.

During the year, the Signature Senior Lifestyle Limited charged administration services of £21,424 (2021 - £Nil) to Signature of Hertford (Operations) Limited of which £Nil (2021 - £Nil) was owed by Signature of Hertford (Operations) Limited at year end.

Gracewell Operations (Ascot) Limited is regarded as a related party as it is under common control. During the year, Signature Senior Lifestyle Operations Ltd charged composite welfare services fees of £2,248,162 (2021 - £Nil) to Gracewell Operations (Ascot) Limited of which £38,371 (2021 - £Nil) was owed by Gracewell Operations (Ascot) Limited at year end. Also at the year end, £355,757 (2021 - £Nil) was owed to Gracewell Operations (Ascot) Limited from the Company in respect of cash held on their behalf. During the year, Signature Senior Lifestyle Limited charged administration services of £19,414 (2021 - £Nil) to Gracewell Operations (Ascot) Limited of which £Nil (2021 - £Nil) was owed by Gracewell Operations (Ascot) Limited at year end.

A wholly owned subsidiary of the Group acts as a general partner to SSL Caversham Opco LP, SSL Farnham Common Opco LP and SSL Highgate Opco LP and also has co-investment at 0.1%. Consequently, these Limited Partnerships are regarded as related parties. Set out below is a summary of the related party transactions and balances which occurred during the year.

- During the year, Signature Senior Lifestyle Operations Ltd charged composite welfare services fees of £207,942 (2021 - £Nil) to SSL Caversham Opco LP of which £34,521 (2021 - £Nil) was owed by SSL Caversham Opco LP at year end. Also at the year end, £28,017 (2021 - £Nil) was owed to SSL Caversham Opco LP from the Company in respect of cash held on their behalf. During the year, Signature Senior Lifestyle Limited charged administration services of £1,493 (2021 - £Nil) to SSL Caversham Opco LP of which £Nil (2021 - £Nil) was owed by SSL Caversham Opco LP at year end.
- During the year, Signature Senior Lifestyle Operations Ltd charged composite welfare services fees of £375,152 (2021 - £Nil) to SSL Farnham Opco LP of which £140,061 (2021 - £Nil) was owed by SSL Farnham Opco LP at year end. Also at the year end, £54,772 (2021 - £Nil) was owed to SSL Farnham Common Opco LP from the Company in respect of cash held on their behalf. During the year, Signature Senior Lifestyle Limited charged administration services of £3,190 (2021 - £Nil) to SSL Farnham Opco LP of which £Nil (2021 - £Nil) was owed by SSL Farnham Opco LP at year end.

# **SSL Group (UK) Limited**

## **Notes to the financial statements For the year ended 31 December 2022**

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### **29. Related party transactions (continued)**

- During the year, Signature Senior Lifestyle Operations Ltd charged composite welfare services fees of £120,000 (2021 - £Nil) to SSL Highgate Opco LP of which £Nil (2021 - £Nil) was owed by SSL Highgate Opco LP at year end. Also at the year end, £15 (2021 - £Nil) was owed to SSL Highgate Opco LP from the Company in respect of cash held on their behalf.

As permitted by FRS 102, the financial statements do not disclose transactions with other group entities where 100% of the voting rights are controlled by the Group and consolidated financial statements of the Group are publicly available.

Key management personnel include all directors across the Group who together have authority and responsibility for planning, directing and controlling the activities of the Group. The directors consider that the directors are the only key management personnel in the Group.

### **29. Post balance sheet events**

Post year end, the operating lease entered into by the Group during the year ended 31 December 2022, qualified as an onerous lease contract, and will be adjusted accordingly in the next financial year.