

Registered number: 04918627

Grove Care Partnership Limited

Annual report and financial statements

For the Year Ended 31 March 2023



Grove Care Partnership Limited

Company Information

Directors	D Spruzen P B S Keys
Registered number	04918627
Registered office	3 The Courtyards Phoenix Square Wyncolls Road Colchester Essex CO4 9PE
Independent auditor	Deloitte LLP Statutory Auditor 1 Station Square Cambridge CB1 2GA
Bankers	Barclays Bank 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Dickson Minto Broadgate Tower 20 Primrose Street London EC2A 2EW

Grove Care Partnership Limited

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Grove Care Partnership Limited

Directors' report For the Year Ended 31 March 2023

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

Principal activity, business review and future developments

The principal activity of the Company was that of a contract management company within the Group, a Group headed up by SSCP Pegasus Topco Limited, and the directors expect this to continue for the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £959,210 (2022: Profit of £309,436). Net assets as at the year end totalled £1,254,059 (2022: £294,849).

There were no dividend payments in the year (2022: nil) and through to the date of signing these financial statements.

Directors

The directors who served during the year and up to the date of this report, except as noted, were:

C J Easteal (resigned 9 September 2022)
P B S Keys (appointed 4 April 2022)
E A Morgan (resigned 31 July 2022)
D A Spruzen (appointed 3 October 2022)

Directors' responsibilities statement

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors' Qualifying Third Party Indemnity Provisions

The directors of the Company have the benefit of a directors' and officers' insurance policy which was made during the year and is in place at the date of this report.

Grove Care Partnership Limited

Directors' report (continued) For the Year Ended 31 March 2023

Going concern

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to foreseeable needs. Liquidity is monitored regularly on a Group basis by reference to forecasts and available facilities.

As a result of the above and having net current assets £1,254,059 (2022: £294,849) at the end of the financial year the directors have reviewed forecasts for the next 18 months and taking into account the fact that the parent company has also agreed to provide continued support. The group does not believe that there are any material uncertainties which cast significant doubt on the ability of the Company to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

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'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's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

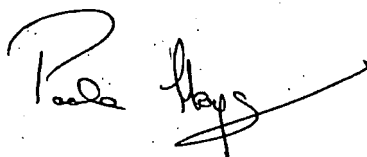
Auditor

Pursuant to Section 487 of the Companies Act 2006, Deloitte LLP will have been deemed to be reappointed and will therefore continue in office until further notice

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 30 June 2023 and signed on its behalf.



P Keys
Director

Grove Care Partnership Limited

Independent auditor's report to the members of Grove Care Partnership Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Grove Care Partnership Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 8.

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to 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.

Grove Care Partnership Limited

Independent auditor's report to the members of Grove Care Partnership Limited (continued)

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included Care Standards Act, Health and Social Care Act, Care Quality Commission and GDPR.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address it them are described below:

- Revenue recognition – We have identified the recording of revenue as a fraud risk. In addressing the risk we audited a sample of the agreements in place to ensure the revenue has been recorded correctly, and used expectation testing based on occupancy levels at the homes to generate expected revenue and compared this to the actual recorded income.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

Grove Care Partnership Limited

Independent auditor's report to the members of Grove Care Partnership Limited (continued)

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Hall

Matthew Hall FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Cambridge

United Kingdom

Date: 30 June 2023

Grove Care Partnership Limited

**Statement of comprehensive income
For the Year Ended 31 March 2023**

	2023 £	2022 £
Turnover	39,131,286	27,407,641
Cost of Sales	(37,160,027)	(26,063,476)
Gross Profit	1,971,259	1,344,165
Administrative expenses	(1,012,049)	(1,034,729)
Operating profit	959,210	309,436
Tax on profit	-	-
Profit for the year	959,210	309,436

The above results were derived from continuing operations and there was no other comprehensive income for 2023 (2022: £nil).

The notes on pages 9 to 11 form part of these financial statements.

Grove Care Partnership Limited
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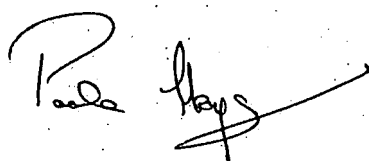
Statement of financial position
As at 31 March 2023

	Note	2023 £	2022 £
Current assets			
Debtors	4	3,775,686	3,020,705
Cash at bank and in hand		703	132,375
		<u>3,776,389</u>	<u>3,153,080</u>
Creditors: amounts falling due within one year	5	(2,522,330)	(2,858,231)
Net current assets		<u>1,254,059</u>	<u>294,849</u>
Net assets		<u>1,254,059</u>	<u>294,849</u>
Capital and reserves			
Called up share capital	6	1	1
Profit and loss account	6	1,254,058	294,848
Shareholders' funds		<u>1,254,059</u>	<u>294,849</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2023.

The notes on pages 9 to 11 form part of these financial statements.



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P Keys
Director

Grove Care Partnership Limited

**Statement of changes in equity
For the Year Ended 31 March 2023**

	Called up Share capital	Profit and loss account	Total Equity
At 31 March 2021	1	(14,588)	(14,587)
Profit and total comprehensive income for the year	-	309,436	309,436
At 31 March 2022	<u>1</u>	<u>294,848</u>	<u>294,849</u>
Profit and total comprehensive income for the year	-	959,210	959,210
At 31 March 2023	<u>1</u>	<u>1,254,058</u>	<u>1,254,059</u>

The notes on pages 9 to 11 form part of these financial statements.

Grove Care Partnership Limited

Notes to the financial statements For the Year Ended 31 March 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

Grove Care Partnership Limited is a private company incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on the Company information page. The nature of the Company's operations and its principal activities are set out in the directors' report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 Section 1A small entities issued by the Financial Reporting Council.

The functional currency of Grove Care Partnership Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

Grove Care Partnership Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, remuneration of key management personnel and related party transactions.

1.2 Going concern

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to foreseeable needs. Liquidity is monitored regularly on a Group basis by reference to forecasts and available facilities.

As a result of the above and having net current assets £1,254,059 (2022: £294,849) at the end of the financial year the directors have reviewed forecasts for the next 18 months and taking into account the fact that the parent company has also agreed to provide continued support. The group does not believe that there are any material uncertainties which cast significant doubt on the ability of the Company to continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.3 Turnover

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

Turnover represents services to third parties in the health and social care sector. All turnover is attributable to the UK and to the Company's principal activity.

1.4 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.

1.5 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.

Grove Care Partnership Limited

Notes to the financial statements For the Year Ended 31 March 2023

1. Accounting policies (continued)

1.6 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.

1.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2. Auditor's remuneration

Remuneration of the auditor for audit services of the financial statements to the Company for the year ended 31 March 2023 of £12,600 (2022: £12,000) was borne by Consensus Support Services Limited, another Group company. There were no amounts remunerated in respect of non-audit services to the auditor.

3. Employees

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	720,394	767,087
Social security costs	72,042	89,053
Costs of defined contribution scheme	13,196	17,100
	<u>805,632</u>	<u>873,240</u>

The average monthly number of employees during the year was 15 (2022: 16). During the year no director received emoluments (2022: nil). The Company does not have any employment contracts with directors, reflecting that directors are remunerated through other group entities.

4. Debtors

	2023 £	2022 £
Trade debtors	3,436,459	2,698,858
Accrued income	339,227	321,847
	<u>3,775,686</u>	<u>3,020,705</u>

Grove Care Partnership Limited

Notes to the financial statements For the Year Ended 31 March 2023

5. Creditors: Amounts falling due within one year

	2023 £	2022 £
Amounts owed to group undertakings	307,665	1,029,598
VAT Control	623,914	485,017
Trade creditors	777,809	657,874
Deferred income	812,942	685,742
	<u>2,522,330</u>	<u>2,858,231</u>

Amounts owed to group undertakings are not secured against any assets. No interest is payable and the full amount is repayable on demand.

6. Share capital

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

The entity is a private company and is limited by shares.

The company's other reserve comprises:

The Profit and Loss reserve represents cumulative profits and losses (net of dividends paid and other adjustments).

7. Related party transactions

As a wholly owned subsidiary of SSCP Pegasus Topco Limited, the company is exempt from the requirements to disclose transactions with other members of the Group on the grounds that consolidated accounts are publicly available from Companies House.

8. Ultimate parent undertaking and controlling party

The Company's immediate parent company is SSCP Pegasus Topco Limited by virtue of its 100% shareholding. SSCP Pegasus Topco Limited heads the smallest and largest group to consolidate these financial statements and is registered in England and Wales.

As at 31 March 2022, the intermediate parent undertaking is SSCP Pegasus Topco Limited, a company incorporated in England and Wales. The largest and smallest Group in which the results of the Company are consolidated are that headed by SSCP Pegasus Topco Limited. The Group financial statements can be obtained from the registered office of SSCP Pegasus Topco Limited being 3 The Courtyards, Phoenix Square, Wyncolls Road, Colchester, Essex CO4 9PE.

SSCP Pegasus Holdings SCA, a company incorporated in Luxembourg, is deemed to be the ultimate parent undertaking. The directors consider funds managed by Stirling Square Capital Partners Jersey AIFM Limited to be the ultimate controlling parties.