

Company Registration No. 08123071 (England and Wales)

GROVE ACQUISITIONS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



Arora
GROUP

GROVE ACQUISITIONS LIMITED

COMPANY INFORMATION

Directors	Surinder Arora Carlton Brown Sanjay Arora Sanjeev Roda	(Appointed 26 October 2021)
Company number	08123071	
Registered office	World Business Centre 3 Newall Road London Heathrow Airport Hounslow England TW6 2TA	
Auditor	BDO LLP 55 Baker Street London W1U 7EU	

GROVE ACQUISITIONS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 8
Income statement	9
Statement of comprehensive income	10
Statement of financial position	11
Statement of changes in equity	12
Notes to the financial statements	13 - 23

GROVE ACQUISITIONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

Introduction

Grove Acquisitions Limited "the company" is one of the companies that forms part of the Arora Group, a successful UK- focused private group of companies, which leverages synergies across its specialist property, construction and hotel divisions to its strategic advantage. Since 1999, the Group has built its standing through meticulously managing projects from inception to delivery and beyond. Today, it owns and manages a diverse portfolio of flagship assets across the nation's key business locations, partnering with some of the world's most recognised brands to deliver consistently high service levels and sustainable growth.

The group strategy is to deliver portfolio diversification, growth in asset value and profitability. Our strategy for delivering these objectives are:

- delivering sound long-term value to our stakeholders;
- continuing to expand, develop and consolidate a diversified property asset portfolio in targeted UK locations; and
- sustaining our reputation for quality, integrity and social responsibility

More information about group can be found on www.thearoragroup.com.

Review of business

The company continued to be a holding company during the year.

Key Performance indicators

The company uses a range of performance measures to monitor and manage the business effectively. These are both financial and non-financial and the most significant of these are the key performance indicators.

The key performance indicator is operating profit. These indicators are set out below:

	2022 £	2021 £
Profit/(loss) before taxation	9,192,687	(6,209,711)

Principal risks and uncertainties

The main financial risks arising from the company's activities are credit risk, interest rate risk and liquidity risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The company's policy in respect of credit risk is to require appropriate credit checks on potential customers before sales are made.

The company's policy in respect of interest rate risk and liquidity risk is to maintain a mixture of medium and short term debt finance and readily accessible bank deposit accounts to ensure the company has sufficient funds for operations. The cash deposits are held in current accounts which earn interest at a floating rate. Debt is maintained at floating interest rates.

In addition, the company's policy is to hedge debt facilities at an appropriate level, in order to manage interest rate fluctuations.

GROVE ACQUISITIONS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Policy for Employment of Disabled Persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retaining of employees who become disabled whilst employed by the group. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the company.

Political and Charitable Donations

During the year, the company did not make charitable donations or any political contributions.

Employee Involvement Policy

The company is committed to communicating the progress and developments of its business to its employees. This includes 'Way Ahead Meetings', 'Staff Consultative Committee Meetings', the quarterly and annual 'Arora Stars' employee recognition scheme and the group internal newsletter.

Future Developments

Information on likely future developments in the business of the company has been included within this report.

Going Concern

The directors assessment on going concern can be found in note 1.2 of this report.

On behalf of the board



.....
Carlton Brown
Director

Date 11/04/2023

GROVE ACQUISITIONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

Principal activities

The principal activity of the company continued to be that of a holding company.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Surinder Arora

Carlton Brown

Athos Yiannis

(Resigned 18 February 2022)

Sanjay Arora

Sanjeev Roda

(Appointed 26 October 2021)

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Statement of directors' responsibilities

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). 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 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 statement; 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

GROVE ACQUISITIONS LIMITED

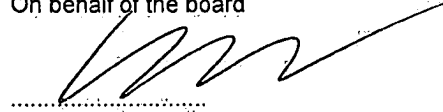
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Auditor

In accordance with the company's articles, a resolution proposing that BDO LLP be reappointed as auditor of the company will be put at a General Meeting.

On behalf of the board



.....
Carlton Brown

Director

Date: 11/04/2023

GROVE ACQUISITIONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GROVE ACQUISITIONS LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Grove Acquisitions Limited ("the Company") for the year ended 31 March 2022 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, 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.

GROVE ACQUISITIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GROVE ACQUISITIONS LIMITED

Other Companies Act 2006 reporting

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

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

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

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

GROVE ACQUISITIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GROVE ACQUISITIONS LIMITED

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:

- We obtained an understanding of the procedures and controls that the Company has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures were designed to provide reasonable assurance that the financial statements were free of fraud or error.
- Based on the understanding obtained we designed audit procedures to identify non-compliance with the laws and regulations, as noted above. This included enquiries of local and group Management, review of Board minutes, and reviews of relevant correspondence.
- We tested journal entries, focusing on journal entries containing characteristics of audit interest such as manual journals and journals relating to revenue.
- We tested and challenged the key estimates and judgements made by management in preparing the financial statements for indications of bias or management override when presenting the results and financial position of the Company.

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.

GROVE ACQUISITIONS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF GROVE ACQUISITIONS LIMITED

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.

DocuSigned by:

David Campbell

85F129B002B1405...

David Campbell (Senior Statutory Auditor)

For and on behalf of BDO LLP

Statutory Auditor

London, UK

17 April 2023

Date:

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

GROVE ACQUISITIONS LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

		2022	2021
	Notes	£	£
Administrative expenses		(1,353,609)	(1,544,906)
Other operating income		1,353,609	1,544,440
Operating profit/(loss)	3	-	(466)
Interest receivable and similar income	7	13,408,942	595
Amounts written off investments	8	(4,216,255)	(6,209,840)
Profit/(loss) before taxation		9,192,687	(6,209,711)
Tax on profit/(loss)	9	-	-
Profit/(loss) for the financial year		9,192,687	(6,209,711)

The income statement has been prepared on the basis that all operations are continuing operations.

GROVE ACQUISITIONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

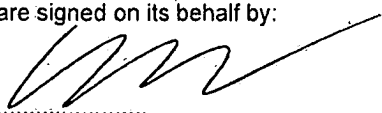
	2022 £	2021 £
Profit/(loss) for the year	9,192,687	(6,209,711)
Other comprehensive income	-	-
Total comprehensive income/(loss) for the year	<u>9,192,687</u>	<u>(6,209,711)</u>

GROVE ACQUISITIONS LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	11	563,248,432		570,626,766	
Current assets					
Debtors	13	66,291,440		39,317,471	
Cash at bank and in hand		232,830		220,544	
		<u>66,524,278</u>		<u>39,538,015</u>	
Creditors: amounts falling due within one year	14	<u>(349,816,402)</u>		<u>(339,401,160)</u>	
Net current liabilities		(283,292,124)		(299,863,145)	
Net assets		<u>279,956,308</u>		<u>270,763,621</u>	
Capital and reserves					
Called up share capital	16	101		101	
Share premium account		18,956,659		18,956,659	
Profit and loss reserves		<u>260,999,548</u>		<u>251,806,861</u>	
Total equity		<u>279,956,308</u>		<u>270,763,621</u>	

The financial statements were approved by the board of directors and authorised for issue on 11/04/2023 and are signed on its behalf by:


.....
Carlton Brown
Director

Company Registration No. 08123071

GROVE ACQUISITIONS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 April 2020		100	-	258,016,572	258,016,672
Year ended 31 March 2021:					
Loss and total comprehensive loss for the year		-	-	(6,209,711)	(6,209,711)
Issue of share capital	16	1	18,956,659	-	18,956,660
Balance at 31 March 2021		101	18,956,659	251,806,861	270,763,621
Year ended 31 March 2022:					
Profit and total comprehensive income for the year		-	-	9,192,687	9,192,687
Balance at 31 March 2022		101	18,956,659	260,999,548	279,956,308

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Grove Acquisitions Limited is a private company limited by shares incorporated in England and Wales. The registered office is World Business Centre 3, Newall Road, London Heathrow Airport, Hounslow, England, TW6 2TA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") Section 1A Small Entities and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income; and
- section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Arora Holdings Limited. These consolidated financial statements are available from its registered office, World Business Centre 3, Newall Road, London Heathrow Airport, Hounslow, England, TW6 2TA.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

The company also received a confirmation of support from group undertakings to confirm that amounts owed to the group undertakings will not be called until the company is in position to settle its obligations. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has prepared cash flow projections for a period of 12 months from the date the accounts were signed which show that the company will continue to trade for the foreseeable future.

On this basis, the directors consider that it is appropriate to prepare the company's financial statements on a going concern basis.

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.3 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the income statement.

1.4 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of no 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 no significant risk of change in value.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.7 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.10 Debtors

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

1.11 Creditors

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

2 Judgements and key sources of estimation uncertainty

There are no material judgements or estimates in preparation of these financial statements.

3 Operating profit/(loss)

	2022	2021
Operating profit/(loss) for the year is stated after charging:	£	£
Auditors' remuneration	-	5,605

Auditors' remuneration in respect of audit fees has been borne by Arora Holdings Limited, the company's ultimate UK parent.

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

4 Other operating income

	2022 £	2021 £
Management fees receivable	1,347,078	1,511,525
Government grants - Coronavirus job retention scheme	-	32,915
Payroll clearance written off	6,531	-
	<u>1,353,609</u>	<u>1,544,440</u>

Management fees receivable are from the company's subsidiaries.

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Management	<u>9</u>	<u>9</u>

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	1,129,969	1,107,753
Social security costs	143,519	140,304
Pension costs	33,531	34,964
	<u>1,307,019</u>	<u>1,283,021</u>

6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	756,358	671,223
Company pension contributions to defined contribution schemes	43,031	16,843
	<u>799,389</u>	<u>688,066</u>

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Directors' remuneration

(Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	306,916	301,500

7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	-	595
Other income from investments		
Dividends received	13,408,942	-
Total income	13,408,942	595

8 Amounts written off and disposal of fixed asset investment

	2022 £	2021 £
(Loss)/gain on disposal of subsidiary	(2,987,921)	8,790,160
Impairment provision of subsidiary	(1,228,334)	(15,000,000)
	(4,216,255)	(6,209,840)

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Taxation

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit/(loss) before taxation	9,192,687	(6,209,711)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	1,746,611	(1,179,845)
Tax effect of expenses that are not deductible in determining taxable profit	233,383	2,856,130
Tax effect of income not taxable in determining taxable profit	(2,547,699)	-
Unutilised tax losses carried forward	567,705	-
Group relief	-	(1,676,285)
Taxation charge for the year	-	-

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in the income statement:

	Notes	2022 £	2021 £
In respect of:			
Fixed asset investments	11	1,228,334	15,000,000
Recognised in:			
Amounts written off investments		1,228,334	15,000,000

The impairment losses in respect of fixed asset investments are recognised in other gains and losses in the income statement.

11 Fixed asset investments

	Notes	2022 £	2021 £
Investments in subsidiaries	12	563,248,432	570,626,766

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

11 Fixed asset investments

(Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost	
At 1 April 2021	585,626,766
Dividends received-return of investment	(6,150,000)
At 31 March 2022	579,476,766
Impairment	
At 1 April 2021	15,000,000
Impairment losses	1,228,334
At 31 March 2022	16,228,334
Carrying amount	
At 31 March 2022	563,248,432
At 31 March 2021	570,626,766

12 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect	
ADL (London) Limited	England	Property development	Ordinary	-	100.00
AFT2 Property Investments Limited	Jersey	Dormant	Ordinary	-	100.00
AMSL Investments Limited	Jersey	Holding company	Ordinary	100.00	-
Arora Developments Ltd	England	Dormant	Ordinary	-	100.00
Arora Gatwick Ltd	England	Leasing property	Ordinary	-	100.00
Arora Heathrow Holdings Limited	England	Property investment	Ordinary	-	100.00
Arora Heathrow Investments Limited	England	Property investment	Ordinary	-	100.00
Arora Heathrow T5 Limited	England	Property investment	Ordinary	-	100.00
Arora Hotels Limited	England	Holding company	Ordinary	-	100.00
Arora Investments JPUT Limited	England	Dormant	Ordinary	-	100.00
Arora Investments Limited	England	Holding company	Ordinary	100.00	-
Arora Leased Hotels Limited	England	Dormant	Ordinary	-	100.00
Arora Management Services Limited	England	Management services	Ordinary	-	100.00
Arora Gatwick Property Limited	England	Dormant	Ordinary	-	100.00
Arora T5 Holdings Limited	England	Holding company	Ordinary	-	100.00

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Subsidiaries

(Continued)

Excel Hospitality Limited	England	Hoteliers	Ordinary	-	100.00
Excel Hotel Management Limited	England	Hotel management	Ordinary	100.00	-
Grove Apartments Limited	England	Dormant	Ordinary	100.00	-
Grove Developments Limited	England	Property development	Ordinary	-	100.00
Grove F&B Limited	England	Hoteliers	Ordinary	-	100.00
Grove Heathrow Limited	Jersey	Holding company	Ordinary	100.00	-
Grove HR Limited	England	Hoteliers	Ordinary	-	100.00
Grove T5 Limited	England	Hoteliers	Ordinary	-	100.00
Grove WP Limited	England	Hoteliers	Ordinary	-	100.00
Grove WP Property Limited	England	Property investment	Ordinary	-	100.00
Heathrow T2 Hotel Limited	England	Hoteliers	Ordinary	-	100.00
Heathrow T5 Hotel Limited	England	Property investment	Ordinary	-	100.00
London Airport Hotels Limited	England	Dormant	Ordinary	-	100.00
London Arena Investments Limited	England	Dormant	Ordinary	100.00	-
Arora Waterfront Holdings Limited	England	Holding company	Ordinary	-	100.00
Arora Waterfront Limited	England	Hoteliers	Ordinary	-	100.00
Meridian Group Investments S.ar.l	Luxembourg	Dormant	Ordinary	50.06	49.94
Meridian Hotel Holdings S.ar.l	Luxembourg	Dormant	Ordinary	-	100.00
Meridian Pier Limited	England	Property investment	Ordinary	-	100.00
Meridian Residential Developments Limited	England	Property development	Ordinary	-	100.00
Millennial Investments Limited	England	Investments	Ordinary	100.00	-
Buckinghamshire Park Resort (Holdings) Limited	England	Holding company	Ordinary	-	100.00
Buckinghamshire Golf Company Limited	England	Golf club	Ordinary	-	100.00
Meridian Hotel Operations Limited	England	Hoteliers	Ordinary	-	100.00
Meridian Hotel Holdings Limited	England	Holding company	Ordinary	-	100.00
Arora Dublin T2 Limited	England	Hoteliers	Ordinary	-	100.00
Arora SLG Limited	England	Hoteliers	Ordinary	-	100.00
Greenwich Holdings Limited	Jersey	Holding company	Ordinary	-	100.00
AH2 Limited	Jersey	Property investment	Ordinary	-	100.00
Arora Waterfront Developments Limited	England	Property development	Ordinary	-	100.00
Arora Care Group Limited	England	Dormant	Ordinary	100.00	-
APHUT Limited	Jersey	Property investment	Ordinary	-	100.00
AP5 Limited	Isle of Man	Property investment	Ordinary	-	100.00
AGUT Limited	Jersey	Property investment	Ordinary	-	100.00
AH6 Limited*	Jersey	Property investment	Ordinary	-	100.00
World Business Centre Management Company Limited	England	Management services	Ordinary	-	100.00

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Subsidiaries

(Continued)

* Companies acquired in the year

The registered office for all the UK subsidiaries is: World Business Centre 3, Newall Road, Hounslow, Middlesex, TW6 2TA.

The registered offices for the Jersey companies is: 12 Castle Street, St Helier, Jersey, JE2 3RT.

The registered offices for the Isle of Man company is : First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF.

The registered offices for the Luxembourg companies is: Langham Hall, 1 rue Jean-Pierre Brasseur, L-1258 Luxembourg.

13 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	61,568,418	33,339,912
Other debtors	4,723,030	5,977,559
	<u>66,291,448</u>	<u>39,317,471</u>

At the year end amounts owed by group undertakings are repayable on demand at the option of both the lender and borrower.

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings	349,690,914	339,256,631
Taxation and social security	122,905	133,244
Other creditors	-	5,680
Accruals and deferred income	2,583	5,605
	<u>349,816,402</u>	<u>339,401,160</u>

At the year end amounts owed to group undertakings and related parties are repayable on demand at the option of both the lender and borrower.

GROVE ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to income statement in respect of defined contribution schemes	33,531	34,964

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined contribution scheme payment prepayment recognised as an asset at the year end was £nil (2021: £7,559).

16 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary Shares of £1 each	101	101	101	101

17 Related party transactions

The company is a wholly-owned subsidiary of the Arora Family Trust No. 2 and utilises the exemption contained in Financial Reporting Standards 102 'Related Party Disclosures' not to disclose any transactions with wholly-owned entities that are part of the group.

18 Ultimate controlling party

The immediate parent of Grove Acquisitions Limited is Arora Holdings Limited, a company registered in England and Wales.

The ultimate parent entity is Arora Family Trust No. 2, a trust registered in Jersey, and the parent of the largest group for which group accounts are drawn up and of which the company is a member.

The ultimate controlling entity of the company is Apex Financial Services (Trustees) Limited, a regulated trust company administered in Jersey.