

Registration number: 10109920

Worplesdon View 2016 Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Worplesdon View 2016 Limited

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Worplesdon View 2016 Limited

Company Information

Directors	Pete Calveley Mark Hazlewood Michael O'Reilly
Company secretary	Michael O'Reilly
Registered office	3rd Floor, The Aspect 12 Finsbury Square London EC2A 1AS
Auditor	KPMG LLP Chartered Accountants Salt Quay House 6 North East Quay Plymouth PL4 0HP

Worplesdon View 2016 Limited

Strategic Report for the Year Ended 31 December 2019

The Directors present their strategic report for the year ended 31 December 2019.

Principal activity

The principal activity of the Company is the ownership and leasing of nursing homes to a related company within the Grove Limited group ("Group").

Fair review of the business

Details of the result for the year are set out in the Profit and Loss Account on page 8. The Directors are satisfied with the Company's result.

Principal risks and uncertainties

Given Barchester's strong position in the sector, the Directors consider that there is little risk of it defaulting on its lease payments to the Group.

It is not necessary for the Company to use KPIs in its analysis.

Approved by the Board on 15 September 2020 and signed on its behalf by:



.....
Mark Hazlewood
Director

Worplesdon View 2016 Limited

Directors' Report for the Year Ended 31 December 2019

The Directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the Company

The Directors who held office during the year were as follows:

Pete Calveley

Mark Hazlewood

Michael O'Reilly - Company secretary and Director

Dividends

The Directors recommend no final dividend payment be made in respect of the financial year ended 31 December 2019 (2018: nil).

Going concern

The Directors have reasonable expectation that the Group and Company have adequate resources to continue in operation for the foreseeable future. The Directors therefore believe that it is appropriate to prepare the financial statements on a going concern basis. Further details are in note 2 to the financial statements.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 15 September 2020 and signed on its behalf by:



.....
Mark Hazlewood
Director

Worplesdon View 2016 Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and the 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 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Worplesdon View 2016 Limited

Independent Auditor's Report to the Members of Worplesdon View 2016 Limited

Opinion

We have audited the financial statements of Worplesdon View 2016 Limited (the 'Company') for the year ended 31 December 2019, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Worplesdon View 2016 Limited

Independent Auditor's Report to the Members of Worplesdon View 2016 Limited (continued)

Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the Directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Strategic report and Directors' report

The Directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company financial statements to be audited 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.

We have nothing to report in these respects.

Worplesdon View 2016 Limited

Independent Auditor's Report to the Members of Worplesdon View 2016 Limited (continued)

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Ian Brokenshire (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

Salt Quay House
6 North East Quay
Plymouth
PL4 0HP

Date: 21 September 2020

Worplesdon View 2016 Limited

Profit and Loss Account for the Year Ended 31 December 2019

	Note	2019 £ 000	2018 £ 000
Turnover	3	20	439
Cost of sales		<u>(1)</u>	<u>(1)</u>
Gross profit		19	438
Administrative expenses		<u>-</u>	<u>(2,945)</u>
Operating profit/(loss)	4	<u>19</u>	<u>(2,507)</u>
Other interest receivable and similar income	5	6,179	6,083
Interest payable and similar expenses	6	<u>(5,151)</u>	<u>(5,137)</u>
		<u>1,028</u>	<u>946</u>
Profit/(loss) before tax		1,047	(1,561)
Taxation	9	<u>(67)</u>	<u>991</u>
Profit/(loss) for the financial year		<u><u>980</u></u>	<u><u>(570)</u></u>

The above results were derived from continuing operations.

Worplesdon View 2016 Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

	2019	2018
	£ 000	£ 000
Profit/(loss) for the year	<u>980</u>	<u>(570)</u>
Total comprehensive income for the year	<u><u>980</u></u>	<u><u>(570)</u></u>

Worplesdon View 2016 Limited
(Registration number: 10109920)
Balance Sheet as at 31 December 2019

	Note	31 December 2019 £ 000	31 December 2018 £ 000
Fixed assets			
Intangible assets	10	-	15,135
Investments	12	2,979	2,979
		<u>2,979</u>	<u>18,114</u>
Current assets			
Debtors	13	103,009	84,188
Cash at bank and in hand		720	5,018
		<u>103,729</u>	<u>89,206</u>
Creditors: Amounts falling due within one year	14	<u>(473)</u>	<u>(2,065)</u>
Net current assets		<u>103,256</u>	<u>87,141</u>
Total assets less current liabilities		106,235	105,255
Creditors: Amounts falling due after more than one year	14	<u>(103,964)</u>	<u>(103,964)</u>
Net assets		<u>2,271</u>	<u>1,291</u>
Capital and reserves			
Called up share capital	15	-	-
Profit and loss account		<u>2,271</u>	<u>1,291</u>
Total equity		<u>2,271</u>	<u>1,291</u>

Approved and authorised by the Board on 15 September 2020 and signed on its behalf by:



Mark Hazlewood
Director

Worplesdon View 2016 Limited

Statement of Changes in Equity for the Year Ended 31 December 2019

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2019	-	1,291	1,291
Profit for the year	-	980	980
Total comprehensive income	-	980	980
At 31 December 2019	-	2,271	2,271

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2018	-	1,861	1,861
Profit for the year	-	(570)	(570)
Total comprehensive income	-	(570)	(570)
At 31 December 2018	-	1,291	1,291

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

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019

1 General information

The Company is a private company limited by share capital, incorporated in England and Wales.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The functional and presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £'000.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

As the Company is a wholly owned subsidiary of Grove Limited the Company has taken advantage of the disclosure exemptions contained in FRS 102 Section 1.12. By virtue of FRS 102 Section 33.1A the Company has not disclosed transactions or balances with wholly owned entities which form part of the Group.

Name of parent of group

These financial statements are consolidated in the financial statements of Grove Limited.

The financial statements of Grove Limited may be obtained from www.jersey.fsc.org.

Group accounts not prepared

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirements to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors of Grove Limited (the Company's ultimate parent undertaking) have prepared cash flow forecasts for Grove Limited and its subsidiaries (the Group) for a period of 15 months from the date of approval of these financial statements. These forecasts indicate that, taking account of reasonably possible downsides and the anticipated impact of COVID-19 on the operations and its financial resources, the Group, including its subsidiaries, will have sufficient funds to meet liabilities as they fall due for that period.

A base case forecast has been prepared which takes into account the impact of COVID-19 to date and includes updated assumptions and expectations in relation to occupancy of the Group's care homes that are owned, leased and operated. Occupancy levels within homes are the primary driver for the Group's income generation. The base case forecasts a steady but prudent on-going rise in occupancy based on historic and current post-Covid data and appropriate assumptions for future fee increases. The base case is predicated on homes being in a significantly more prepared state for any second spikes.

A separate forecast reflecting a severe but plausible downside scenario has been prepared. This scenario assumes no increases in occupancy over the forecast period to December 2021 and also more prudent assumptions on any future fee increases. Both forecasts demonstrate that the Group will continue to have sufficient available cash resources for the forecast period up to the year ending 31 December 2021. In addition to the forecast cash resources available, the Group also has access to a £20m banking facility which is not expected to be drawn down during the period to 31 December 2021 under either the base case or severe but plausible downside scenario. There are also a number of further mitigating options available to management, such as a reduction in discretionary capital expenditure, should they be needed.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Judgements

The classification of leases as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains the significant risks and rewards of ownership of these assets, and accordingly whether the lease requires the asset to be recognised as an investment property or finance lease receivable.

Key sources of estimation uncertainty

The Company establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill 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.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the Company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Asset class	Depreciation method and rate
Plant & Equipment	Straight line over 10 years

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	straight line over the life of the lease

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Impairment of debtors

Debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Where the Company transfers substantially all the risks and rewards of ownership, the arrangement is classified as a finance lease and a receivable is recognised at an amount equal to the net investment in the lease. Recognition of finance income is based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

2 Accounting policies (continued)

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Revenue

The analysis of the Company's revenue for the year from continuing operations is as follows:

	2019	2018
	£ 000	£ 000
Rental income from investment property	-	418
Leasing of equipment	-	1
Other revenue	20	20
	<u>20</u>	<u>439</u>

4 Operating profit

Arrived at after charging

	2019	2018
	£ 000	£ 000
Amortisation expense	-	548
Loss on disposal of investment property	-	2,418
	<u>-</u>	<u>2,418</u>

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

5 Other interest receivable and similar income

	2019 £ 000	2018 £ 000
Interest receivable on loans to group undertakings	1,933	1,927
Other finance income	4,246	4,156
	<u>6,179</u>	<u>6,083</u>

Other finance income relates entirely to the finance lease described in note 16.

6 Interest payable and similar expenses

	2019 £ 000	2018 £ 000
Interest payable on loans from Group undertakings	<u>5,151</u>	<u>5,137</u>

7 Directors' remuneration

The Company had no employees other than Directors. The Directors received remuneration for services to Grove Limited of which Worplesdon View 2016 Limited is a subsidiary undertaking, however the proportion attributable to their services to Worplesdon View 2016 Limited is not separately identifiable.

8 Auditor's remuneration

The remuneration of the auditor in the current year was borne by another Group company. The estimate for the current year is £5,000 (2018: £5,000).

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

9 Taxation

Tax charged/(credited) in the income statement

	2019 £ 000	2018 £ 000
Current taxation		
UK corporation tax	62	242
UK corporation tax adjustment to prior periods	-	(766)
	<u>62</u>	<u>(524)</u>
Deferred taxation		
Arising from origination and reversal of timing differences	5	(466)
Arising from changes in tax rates and laws	-	(1)
Total deferred taxation	<u>5</u>	<u>(467)</u>
Tax expense/(receipt) in the income statement	<u>67</u>	<u>(991)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2018 - the same as the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £ 000	2018 £ 000
Profit/(loss) before tax	<u>1,047</u>	<u>(1,561)</u>
Corporation tax at standard rate	199	(297)
Effect of expense not deductible in determining taxable profit	-	559
Deferred tax credit relating to changes in tax rates or laws	-	(1)
Decrease in UK and foreign current tax from unrecognised temporary difference from a prior period	-	(477)
Decrease in UK and foreign current tax from adjustment for prior periods	-	(766)
Tax decrease arising from group relief	(200)	-
Tax increase from transfer pricing adjustments	104	32
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>(36)</u>	<u>(41)</u>
Total tax charge/(credit)	<u>67</u>	<u>(991)</u>

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. Deferred tax balances have been calculated at a rate of 17% as this is the rate at which the majority of the timing differences are expected to reverse.

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

9 Taxation (continued)

Deferred tax

Deferred tax assets and liabilities

31 December 2019	Asset £ 000
Fixed asset timing differences	366
Other timing differences	96
	<u>462</u>

31 December 2018	Asset £ 000
Fixed asset timing differences	403
Other timing differences	64
	<u>467</u>

10 Intangible assets

	Goodwill £ 000	Total £ 000
Cost or valuation		
At 1 January 2019	15,933	15,933
Reclassification to finance lease receivables (note 13)	<u>(15,933)</u>	<u>(15,933)</u>
At 31 December 2019	<u>-</u>	<u>-</u>
Amortisation		
At 1 January 2019	798	798
Reclassification to finance lease receivables (note 13)	<u>(798)</u>	<u>(798)</u>
At 31 December 2019	<u>-</u>	<u>-</u>
Carrying amount		
At 31 December 2019	<u>-</u>	<u>-</u>
At 31 December 2018	<u>15,135</u>	<u>15,135</u>

During the current year goodwill with a carrying value of £15,135,000 was reclassified to finance lease receivables.

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

11 Tangible assets

	Furniture, fittings and equipment £ 000	Total £ 000
Cost or valuation		
At 1 January 2019	<u>1</u>	<u>1</u>
At 31 December 2019	<u>1</u>	<u>1</u>
Depreciation		
At 1 January 2019	1	1
Charge for the year	<u>-</u>	<u>-</u>
At 31 December 2019	<u>1</u>	<u>1</u>
Carrying amount		
At 31 December 2019	<u>-</u>	<u>-</u>
At 31 December 2018	<u>-</u>	<u>-</u>

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

12 Investments in subsidiaries, joint ventures and associates

	31 December 2017 £ 000
Subsidiaries	
Cost or valuation	
At 1 January 2019	4,324
Provision	
At 1 January 2019	1,345
Carrying amount	
At 31 December 2019	2,979
At 31 December 2018	2,979

Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2019	2018
Subsidiary undertakings				
Hagley Place Limited	England and Wales	Ordinary	100%	100%

The principal activity of Hagley Place Limited is the ownership and leasing of a nursing home to a related company.

13 Debtors

		31 December 2019 £ 000	2018 £ 000
	Note		
Amounts owed by related parties		43,769	40,518
Prepayments		1	-
Finance lease receivables	16	58,543	43,203
Deferred tax assets	9	462	467
Income tax asset	9	234	-
		<u>103,009</u>	<u>84,188</u>

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

13 Debtors (continued)

Amounts due from related parties stated above are legally due on demand and are thus recoverable within one year. It is not expected that a demand for these amounts will be made within the next year.

14 Creditors

	31 December 2019 £ 000	31 December 2018 £ 000
Due within one year		
Trade creditors	1	-
Amounts due to related parties	472	1,945
Income tax liability	-	120
	<u>473</u>	<u>2,065</u>
Due after one year		
Amounts due to related parties	<u>103,964</u>	<u>103,964</u>

Amounts due to related parties within one year are legally due on demand and are thus due within one year. It is not expected that a demand for these amounts will be made within the next year.

Amounts due to related parties after one year include £103,964,000 (2018: £103,964,000) of loan notes issued to Barchester Propco (Jersey) 2016 Limited. The loan notes were issued on 18 August 2017 and are subject to interest payable at 4.9546% per annum. The notes are due for repayment on 18 August 2021. The notes were listed on the Channel Islands Securities Exchange as of 22 December 2017.

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

15 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

16 Obligations under leases and hire purchase contracts

Finance leases - lessor

The Company leases the freehold to the properties known as Ashchurch View, Hurstwood View, Latimer Court, Worplesdon View and Beaufort Grange, to another Group company, Barchester Healthcare Homes Limited.

The amount of the net investment in a finance lease is determined as shown in the following table:

	2019 £ 000	2018 £ 000
Minimum lease payments	<u>130,101</u>	<u>133,869</u>
Gross investment	130,101	133,869
Unearned finance income	<u>(86,693)</u>	<u>(90,666)</u>
Net investment (present value of minimum lease payments)	<u>43,408</u>	<u>43,203</u>

The gross investment amount and the present value of payable minimum lease payments are shown in the following table:

	2019 £ 000		2018 £ 000	
	Gross investment in lease	Present value of minimum lease payments	Gross investment in lease	Present value of minimum lease payments
Maturity				
Not later than one year	3,825	3,615	3,769	3,561
Later than one year and not later than five years	15,884	12,000	15,649	11,823
Later than five years	<u>110,392</u>	<u>27,793</u>	<u>114,451</u>	<u>27,819</u>
	<u>130,101</u>	<u>43,408</u>	<u>133,869</u>	<u>43,203</u>

Included within the finance lease receivable in Note 11 is a residual value of £15,135,000.

Contingent rents recognised as income in the period are £Nil (2018 - £Nil).

Worplesdon View 2016 Limited

Notes to the Financial Statements for the Year Ended 31 December 2019 (continued)

17 Parent and ultimate parent undertaking

The Company's immediate parent is Barchester PropCo (Jersey) 2016, incorporated in Jersey.

The ultimate parent and controlling party is Grove Limited, incorporated in Jersey. The most senior parent entity producing publicly available financial statements is also Grove Limited. Its financial statements are available upon request from www.jerseyfsc.org.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Grove Limited, incorporated in Jersey.

The address of Grove Limited is:

13 Castle Street
St Helier
Jersey
JE1 1ES

The parent of the smallest group in which these financial statements are consolidated is Barchester Propco (Jersey) Limited, incorporated in Jersey.

The address of Barchester Propco (Jersey) Limited is:

13 Castle Street
St Helier
Jersey
JE1 1ES