

Registered number: 05160167

Audley Court Limited

Annual report and financial statements

For the year ended 31 December 2016

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Audley Court Limited

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Audley Court Limited

Company information

Directors

M N Sanderson
P D Morgan
K E Rose
K A Shaw
J W Nettleton
J M Austen (appointed 1 July 2016)
M E C Gilbard
N W J Edwards
S Malim (resigned 15 June 2016)

Registered number

05160167

Registered office

Swan Court
Kingsbury Crescent
Staines
Middlesex
TW18 3BA

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Audley Court Limited

Directors' report

For the year ended 31 December 2016

The directors present their report and the audited financial statements of Audley Court Limited (the "Company") for the year ended 31 December 2016.

Principal activity

The Company's principal activity during the financial year was that of the sourcing of land for development of retirement villages.

Results

The Company's loss for the financial year was £4,060,000 (2015: loss of £4,555,000). The directors do not recommend the payment of a dividend (2015 - £nil).

Future developments in the business of the entity

The directors do not anticipate any changes to the present level of activity or to the nature of the Company's business in the near future.

Financial instruments

Financial Risk Management

The Company's operations expose it to a variety of financial risks including liquidity risk and credit risk. The Company's principal financial instruments comprise sterling cash and bank deposits, together with trade debtors and trade creditors that arise directly from its operations.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

M N Sanderson
P D Morgan
K E Rose
K A Shaw
J W Nettleton
J M Austen (appointed 1 July 2016)
M E C Gilbard
N W J Edwards
S Malim (resigned 15 June 2016)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

Audley Court Limited

Directors' report

For the year ended 31 December 2016

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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.

The directors 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 of information to auditors

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

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

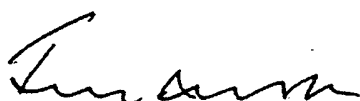
Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

Small companies' exemption

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the board on 26 July 2017 and signed on its behalf.



J M Austen
Director

Audley Court Limited

Independent auditors' report to the members of Audley Court Limited

Report on the financial statements

Our opinion

In our opinion, Audley Court Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 December 2016;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter 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 addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Directors' report. We have nothing to report in this respect.

Audley Court Limited

Independent auditors' report to the members of Audley Court Limited

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Audley Court Limited

Independent auditors' report to the members of Audley Court Limited

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Directors' report, we consider whether this report includes the disclosures required by applicable legal requirements.



Ian Benham (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date: 26 July 2017

Audley Court Limited

Statement of comprehensive income For the year ended 31 December 2016

	Note	2016 £'000	2015 £'000
Turnover	5	72	-
Administrative expenses		(4,508)	(4,463)
Operating loss	6	(4,436)	(4,463)
Interest payable and similar charges	9	(123)	(103)
Interest receivable and other similar income	10	5	11
Loss on ordinary activities before taxation		(4,554)	(4,555)
Tax on loss on ordinary activities	11	-	-
Loss for the financial year		<u>(4,554)</u>	<u>(4,555)</u>
Total comprehensive expense for the year		<u>(4,554)</u>	<u>(4,555)</u>

The notes on pages 10 to 22 form part of these financial statements.

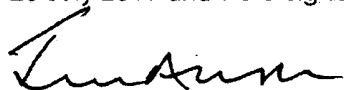
Audley Court Limited
Registered number:05160167

Balance sheet
As at 31 December 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Tangible assets	12	279	217
Investments	13	2,558	2,558
		<u>2,837</u>	<u>2,775</u>
Current assets			
Stocks	14	126	1,675
Debtors: amounts falling due within one year	15	171,069	135,003
Cash at bank and in hand		2,491	6,012
		<u>173,686</u>	<u>142,690</u>
Creditors: amounts falling due within one year	16	(3,829)	(2,717)
Net current asset		<u>169,857</u>	<u>139,973</u>
Total assets less current liabilities		<u>172,694</u>	<u>142,748</u>
Non-current liabilities			
Creditors: amounts falling due after one year	17	(34,500)	-
		<u>(34,500)</u>	<u>142,748</u>
Net assets		<u><u>138,194</u></u>	<u><u>142,748</u></u>
Capital and reserves			
Called up share capital	18	120,057	120,057
Share premium account	18	39,954	39,954
Capital contribution reserve	18	2,328	2,328
Profit and loss account		(24,145)	(19,591)
Total shareholders' funds		<u><u>138,194</u></u>	<u><u>142,748</u></u>

The notes on pages 10 to 22 form part of these financial statements.

The financial statements on pages 7 to 22 were approved and authorised for issue by the board of directors on 26 July 2017 and were signed on its behalf by:



J M Austen
Director

Statement of changes in equity

	Share capital £'000	Share premium account £'000	Capital contribution reserve £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2015	50	-	84,713	(15,036)	69,727
Comprehensive income for the year					
Loss for the financial year	-	-		(4,555)	(4,555)
Total comprehensive expense for the year	-	-	-	(4,555)	(4,555)
Contributions by and distributions to owners					
Shares issued during the year	120,007	39,954	-	-	159,961
Capital contribution by owners	-	-	(82,385)	-	(82,385)
Total transactions with owners	120,007	39,954	(82,385)	-	77,576
At 31 December 2015	<u>120,057</u>	<u>39,954</u>	<u>2,328</u>	<u>(19,591)</u>	<u>142,748</u>
At 1 January 2016	120,057	39,954	2,328	(19,591)	142,748
Comprehensive income for the year					
Loss for the financial year	-	-		(4,554)	(4,554)
Total comprehensive expense for the year	-	-	-	(4,554)	(4,554)
At 31 December 2016	<u>120,057</u>	<u>39,954</u>	<u>2,328</u>	<u>(24,145)</u>	<u>138,194</u>

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

1. General information

The Company's principal activity during the financial year was that of the development of a retirement village. The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Swan Court, Kingsbury Crescent, Staines, Middlesex, TW18 3BA.

2. Statement of compliance

The financial statements of Audley Court Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Summary of significant accounting policies

3.1 Basis of preparation of financial statements

The principal accounting policies applied in the preparation of these financial statements are set out below. The Company has adopted FRS 102 in these financial statements. These policies have been consistently applied to all the years presented unless otherwise stated.

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been compiled with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exceptions:

- The Company has taken advantage of the exemption, under FRS 102 section 7, from preparing a statement of cash flows, on the basis that it is a small company;
- from the financial disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statements disclosures;
- from disclosing the Company key management compensation, as required by FRS 102 paragraph 33.7.
-

3.3 Consolidated financial statements

The Company's immediate parent undertaking is Audley Group Limited. The Company is included in the consolidated financial statements of Audley Group Limited which are publically available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

**Notes to the financial statements
For the year ended 31 December 2016**

3.4 Tangible fixed assets

Tangible fixed assets are stated at historic cost less accumulated depreciation. The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided at rates calculated to write off the cost of fixed assets, less estimated residual value.

Depreciation is provided on the following bases:

Short term lease hold property	- 20%	straight line or life of lease
Fixtures and fittings	- 10% or 33%	straight line
Office equipment	- 25%	straight line

3.5 Investments

Fixed asset investments are stated at their purchase cost less any provision for impairment. Investment income is included in the accounts on an accruing basis.

3.6 Leased assets

Rentals paid under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

3.7 Stocks

Stock comprises residential units under construction and is stated at the lower of cost and net realisable value. Cost comprises of land, cost, materials, wages and other construction costs. Net realisable value is defined as estimated selling price less all further costs of development and estimated selling expenses.

3.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits with banks.

3.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.10 Turnover

Turnover represents proceeds from sales of residential units, rents receivable and other income during the year stated excluding value added tax. Sales of residential units are recognised on legal completion. Rents receivable are recognised when rental income is due.

**Notes to the financial statements
For the year ended 31 December 2016**

3.11 Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, except to the extent that it relates to items recognised in equity. In this case tax is also recognised in equity. Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3.12 Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction where it is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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 assets' original effective interest rate. The impairment loss is recognised in the statement of comprehensive income. 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 statement of comprehensive income.

Financial assets are derecognised when (i) the contractual rights to the cash flows from the asset expire or are settled, or (ii) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (iii) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

**Notes to the financial statements
For the year ended 31 December 2016**

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables and loans from fellow group undertakings, 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 receipts discounted at a market rate of interest. 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. Trade creditors 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.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

3.13 Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

4 Critical accounting judgements and estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors the directors believe are reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The directors consider the key estimates and critical judgements made in the financial statements to be related to:

4.1 Valuation of stocks - Work in progress

Stocks are carried at the lower of cost and net realisable value. Net realisable value represents the estimated selling price (in the ordinary course of business) less all estimated costs of completion and overheads. Valuations of site/phase work in progress are carried out at regular intervals and estimates of the cost to complete a site/phase and estimates of anticipated revenues are required to enable a development profit to be determined. Management are required to employ considerable judgement in estimating the profitability of a site/phase and in assessing any impairment provisions which may be required.

5. Turnover

The whole of the turnover is attributable to the company's main activity which is carried out in the United Kingdom.

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

6. Operating loss

Operating profit is stated after charging:

	2016 £'000	2015 £'000
Depreciation of tangible fixed assets:		
- owned by the company	111	59
Auditors remuneration	147	69
Auditors remuneration – non audit services – tax compliance	72	39
Auditors remuneration – non audit services – audit related assurance	-	36
Operating lease rentals:		
- Land and buildings	134	274
- Other	37	26

7. Staff costs

Staff costs were as follows:

	2016 £'000	2015 £'000
Wages and salaries	3,730	2,929
Social security costs	507	330
Other pension costs	98	84
	<u>4,335</u>	<u>3,343</u>

The pension costs are in respect of a defined contribution pension scheme.

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

	2016 Number	2015 Number
Central management and administration	43	37
	<u>43</u>	<u>37</u>

8. Directors' remuneration

Directors' remuneration was for the year to 31 December 2016 totalled £2.1 million (2015 - £3.6 million). The highest paid director received a remuneration of £0.8 million (2015 - £1.5 million).

There were no retirement benefits accruing to the directors (2015 - £nil).

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

9. Interest payable and similar charges

	2016 £'000	2015 £'000
Interest payable to group undertakings	90	90
Finance lease and hire purchase contracts	13	13
Other similar charges	20	-
	<u>123</u>	<u>103</u>

10. Interest receivable and similar income

	2016 £'000	2015 £'000
Other interest receivable	5	11
	<u>5</u>	<u>11</u>

11. Tax on loss on ordinary activities

	2016 £'000	2015 £'000
Corporation tax		
Current tax on loss for the year	-	-
Total current tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015 – higher than) the standard rate of corporation tax in the UK of 20.00% (2015 - 20.25%). The differences are explained below:

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

11. Tax on profit on ordinary activities (*continued*)

	2016 £'000	2015 £'000
Loss on ordinary activities before taxation	<u>(4,060)</u>	<u>(4,555)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.0% (2015 - 20.25%)	(812)	(922)
Effects of:		
Expenses not deductible	33	-
Group relief surrendered/(claimed) and not paid for	796	416
Losses not recognised	(17)	506
Total tax charge for the year	<u><u>-</u></u>	<u><u>-</u></u>

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020.

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

12. Tangible assets

	Short term leasehold property £'000	Fixtures and fittings £'000	Equipment and motor vehicles £'000	Total £'000
Cost				
At 1 January 2016	146	34	459	639
Additions	51	13	113	177
Disposals	-	-	(4)	(4)
At 31 December 2016	<u>197</u>	<u>47</u>	<u>568</u>	<u>812</u>
Accumulated depreciation				
At 1 January 2016	83	29	310	422
Charge for the year	32	5	74	111
At 31 December 2016	<u>115</u>	<u>34</u>	<u>384</u>	<u>533</u>
At 31 December 2016	<u>82</u>	<u>13</u>	<u>184</u>	<u>279</u>
At 31 December 2015	<u>63</u>	<u>5</u>	<u>149</u>	<u>217</u>

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

13. Investments

Subsidiary undertakings

The directors believe that the carrying value of investments is supported by their underlying net assets. The company's subsidiary undertakings are all incorporated in the United Kingdom and their registered office is Swan Court, Kingsbury Crescent, Staines, Middlesex, TW18 3BA.

Name	Holding	Principal activity
Audley Binswood Limited	100%	Property development
Audley Binswood Management Limited	100%	Management company
Audley Chalfont Limited	100%	Property development
Audley Chalfont Management Limited	100%	Management company
Audley Clevedon Limited	100%	Property development
Audley Clevedon Management Limited	100%	Management company
Audley Coopers Hill Limited	100%	Property development
Audley Coopers Hill Management Limited	100%	Management company
Audley Court Management Limited	100%	Management company
Audley Ellerslie Limited	100%	Property development
Audley Ellerslie Management Limited	100%	Management company
Audley Flete Limited	100%	Property landlord
Audley Flete Management Limited	100%	Management company
Audley Inglewood Limited	100%	Property development
Audley Inglewood Management Limited	100%	Management company
Audley Mote Limited	100%	Property development
Audley Mote Management Limited	100%	Management company
Audley Redwood Limited	100%	Property development
Audley Redwood Management Limited	100%	Management company
Audley St Elphins Limited	100%	Property development
Audley St Elphins Management Limited	100%	Management company
Audley St George's Limited	100%	Property development
Audley St George's Management Limited	100%	Management company
Audley Stanbridge Earls Limited	100%	Property development
Audley Stanbridge Earls Management Limited	100%	Management company
Audley Sunningdale Limited	100%	Property development
Audley Sunningdale Management Limited	100%	Management company
Audley Willicombe Limited	100%	Property landlord
Audley Willicombe Management Limited	100%	Management company
Audley Care Limited	100%	Care provider
Audley Care White Horse Limited	100%	Care provider
Audley Financial Services Limited	100%	Non-trading
Audley Care Holdings Limited	100%	Non-trading
Audley Care Coventry Limited*	100%	Non-trading

* subsidiary of Audley Care Holdings Limited

Notes to the financial statements
For the year ended 31 December 2016

13. Investments (continued)

	Investments in subsidiary companies £'000
Cost	
At 1 January 2016	2,558
Additions	494
At 31 December 2016	<u>3,052</u>
Impairment	
At 1 January 2016	-
In the period	494
At 31 December 2016	<u>494</u>
Net book value	
At 31 December 2016	<u>2,558</u>
At 31 December 2015	<u>2,558</u>

14. Stocks

	2016 £'000	2015 £'000
Work in progress	126	1,675
	<u>126</u>	<u>1,675</u>

There was no significant differences between the replacement costs of stocks and its carrying amount.

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

15. Debtors

	2016 £'000	2015 £'000
Trade debtors	11	-
Amounts owed by group undertakings	169,355	133,504
Other debtors	1,505	1,314
Prepayments and accrued income	198	186
	<u>171,069</u>	<u>135,003</u>

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

16. Creditors: Amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	53	157
Amounts owed to group undertakings	1,716	1,140
Other creditors	3	-
Accruals and deferred income	2,057	1,420
	<u>3,829</u>	<u>2,717</u>

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

17. Creditors: Amounts falling due after one year

	2016 £'000	2015 £'000
Amounts owed to parent undertakings	34,500	-
	<u>34,500</u>	<u>-</u>

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

Audley Court Limited

Notes to the financial statements For the year ended 31 December 2016

18. Called up share capital

	2016 £'000	2015 £'000
Allotted and fully paid		
118,926,535 (2015 – 118,926,535) A ordinary share of £1	118,927	118,927
1,130,375 (2015 – 1,130,375) B ordinary share of £1	1,130	1,130
	120,057	120,057

During 2015 the Company issued 118,876,535 ordinary A shares for consideration totalling £158.9m net of £0.1m of issue costs. These shares were acquired by MAREF Bidco Limited (subsequently renamed to Audley Group Limited), a company wholly owned by MAREF Topco Limited (controlled by Moorfield Audley Real Estate Fund 'A' Limited Partnership and Moorfield Audley Real Estate Fund 'B' Limited Partnership). These shares were issued in satisfaction of amounts owing by the Company to MAREF Bidco Limited (subsequently renamed to Audley Group Limited).

1,130,375 ordinary B shares were issued to the directors of the Company.

19. Related party transactions

On 14 December 2015 Audley Group Limited acquired 99.06% of Audley Court Limited via acquisition of 100% of the "A" share capital for £158.6 million.

During the year Audley Group Limited made loans of £34.5 million to Audley Court Limited. The whole amount was outstanding at 31 December 2016.

During the year Moorfield Investment Management Limited charged £1.1 million for management services. No amounts invoiced were outstanding at year end.

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with fellow wholly owned subsidiaries of Audley Court Limited.

20. Operating lease commitments

At 31 December the Company had future minimum lease payments under non-cancellable operating lease as follows:

	2016 £	2015 £
Land and buildings expiry date:		
Within 1 year	-	125,504
Motor vehicles expiry date:		
Within 1 year	44,396	31,099
Between 2 and 5 years	37,267	40,640

**Notes to the financial statements
For the year ended 31 December 2016**

21. Immediate and ultimate parent undertaking and ultimate controlling party

The Company's immediate parent undertaking is Audley Group Limited, which is registered in England and Wales.

Audley Group Limited is the undertaking of the smallest group of undertakings to consolidate these financial statements at 31 December 2016. MAREF Topco Limited, the immediate parent of Audley Group Limited, is the undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2016. The consolidated financial statements of these groups are available from Companies House.

The Company's ultimate controlling parties are Moorfield Audley Real Estate Fund "A" Limited Partnership and Moorfield Audley Real Estate Fund "B" Limited Partnership, both registered in England and Wales.