

Roseland Village Limited

Report and Financial Statements

Year Ended

31 March 2016

Company Number 5841968

THURSDAY



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Roseland Village Limited

Report and financial statements for the year ended 31 March 2016

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Directors

N Welby
N Donaldson
D Phillips
W Crawford

Secretary and registered office

S Rees, 1st Floor Brunswick House, Regent Park, 299 Kingston Road, Leatherhead, Surrey, KT22 7LU

Company number

5841968

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Roseland Village Limited

Strategic report for the year ended 31 March 2016

Performance and business review

The results for the year to 31 March 2016 show an operating loss of £28,701, compared to last year's figure of £28,702, and consists entirely of administrative expenses. Bank interest payable was £27,129 (2015 – £28,641) with the decrease coming as a result facility repayments during the year of £62,695 taking the outstanding balance as at March 2016 to £849,367 (2015 - £973,178). Interest rates remaining relatively flat throughout 2015/16.

The results of the company's subsidiaries are contained in their own financial statements.

Principal risk and uncertainty

The company has a bank loan and guarantees the bank loan of a subsidiary. It has been assumed that such funding will remain available on normal commercial terms.

The bank loans bear interest at floating rates. There is no hedging to mitigate the risk of fluctuations in interest rates but the directors are considering putting some in place while rates are historically low.

On behalf of the board



N Donaldson
Director

Date 14th Dec 2016

Roseland Village Limited

Report of the directors for the year ended 31 March 2016

Principal activities

The company's principal activity is to act as a holding company for companies which own the freehold of the Roseland Parc retirement village in Tregony, Cornwall and provide residential and other care services within the village.

For a review of the business and the principal risks and uncertainties see the strategic report.

Results and Dividends

The statement of comprehensive income is set out on page 6 and shows the loss for the year. Dividends of £Nil were paid to the shareholders on 31 March 2016 (2015 - £Nil).

Directors

The directors of the company throughout the year were:

N Welby
N Donaldson
D Phillips
J Puckering (resigned 30 June 2016)
W Crawford

Auditors

All of the directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the company's auditor is unaware.

Approval

On behalf of the Board



Neil Donaldson

Director

Date 14th Dec 2016

Roseland Village Limited

Statement of directors' responsibilities

Directors' responsibilities

The directors are responsible for preparing the strategic report and 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 company 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 that 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;
- 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.

Roseland Village Limited

Independent auditor's report

Independent auditor's report to the members of Roseland Village Limited

We have audited the financial statements of Roseland Village Limited for the year ended 31 March 2016 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102, The Financial Reporting Standard Applicable in the UK and Republic of Ireland.

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.

Respective responsibilities of directors and auditors

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. 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). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on 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 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

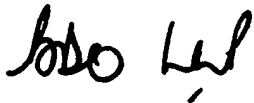
Roseland Village Limited

Independent auditor's report (*continued*)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.



John Everingham (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
United Kingdom

Date 16 December 2016

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

Roseland Village Limited

Statement of comprehensive income for the year ended 31 March 2016

	Note	2016 £	2015 £
Administrative expenses		(28,701)	(28,702)
Operating loss	3	(28,701)	(28,702)
Interest payable and similar charges	4	(27,129)	(28,641)
Loss on ordinary activities before taxation		(55,830)	(57,343)
Taxation on loss on ordinary activities	5	(5,828)	4,723
Loss and total comprehensive loss for the financial year		(61,658)	(52,620)

All amounts relate to continuing activities.

The notes on pages 9 to 18 form part of these financial statements.

Roseland Village Limited

Balance sheet at 31 March 2016

Company number 5841968	Note	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	6	2,322,756		2,351,426	
Fixed asset investments	7	1,489,313		1,489,313	
			3,812,069		3,840,739
Current assets					
Debtors	8	68,223		1,279,051	
Cash at bank and in hand		88		22,619	
		68,311		1,301,670	
Creditors: amounts falling due within one year	9	(3,714,061)		(4,851,737)	
Net current liabilities			(3,645,750)		(3,550,067)
Total assets less current liabilities			166,319		290,672
Creditors: amounts falling due after more than one year	10		(789,367)		(852,062)
Net liabilities			(623,048)		(561,390)
Capital and reserves					
Called up share capital	12		1		1
Investment property reserve			(379,000)		(379,000)
Profit and loss account			(244,049)		(182,391)
			(623,048)		(561,390)

The financial statements were approved by the board of directors and authorised for issue on 14th Dec 2016



N Donaldson
Director

The notes on pages 9 to 18 form part of these financial statements

Roseland Village Limited

Statement of changes in equity For the year ended 31 March 2016

	Share capital £	Investment property Reserve £	Profit and loss account £	Total equity £
1 April 2015	1	(379,000)	(182,391)	(561,390)
Comprehensive loss for the year				
Loss for the year	-	-	(61,658)	(61,658)
	_____	_____	_____	_____
Total comprehensive loss for the year	-	-	(61,658)	(61,658)
	_____	_____	_____	_____
Contributions by and distributions to owners				
	-	-	-	-
	_____	_____	_____	_____
Total contributions by and distributions to owners	-	-	-	-
	_____	_____	_____	_____
31 March 2016	1	(379,000)	(244,049)	(623,048)
	=====	=====	=====	=====
1 April 2014	1	(379,000)	(129,771)	(508,770)
Comprehensive loss for the year				
Loss for the year	-	-	(52,620)	(52,620)
	_____	_____	_____	_____
Total comprehensive loss for the year	-	-	(52,620)	(52,620)
	_____	_____	_____	_____
Contributions by and distributions to owners				
	-	-	-	-
	_____	_____	_____	_____
Total contributions by and distributions to owners	-	-	-	-
	_____	_____	_____	_____
31 March 2015	1	(379,000)	(182,391)	(561,390)
	=====	=====	=====	=====

The notes on pages 9 to 18 form part of these financial statements.

Roseland Village Limited

Notes forming part of the financial statements for the year ended 31 March 2016

1 Accounting policies

Roseland Limited is a private company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the strategic report.

Basis of preparation

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland. These financial statements are the first financial statements prepared under FRS 102 and information on the impact of first-time adoption of FRS 102 is given in note 14.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 2).

FRS 102 reduced disclosure exemptions

In preparing the separate financial statements of the company, advantage has been taken of the following disclosure exemptions available in FRS 102 to subsidiary undertakings where the parent undertaking prepares publicly available consolidated accounts:

- No cash flow statement has been presented for the company;
- Disclosures in respect of the company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole in the parent undertakings group accounts;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the company as their remuneration is included in the totals for the group as a whole; and
- Under FRS 102 the company is also not required to disclose details of transactions entered into with fellow group members.

The following principal accounting policies have been applied:

Consolidated financial statements

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Going concern

The financial statements have been prepared on going concern principles on the basis that the company received assurances of continued support from other companies within the Retirement Villages Group Limited group. The financial statements do not include any adjustments that would result from a discontinuance of this support.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Roseland Village Limited

Notes forming part of the financial statements (continued) for the year ended 31 March 2016

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets, other than investment properties, are stated at historical cost or revalued cost at the date of transition to FRS102 less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

Freehold buildings	- 100 years
Fixtures, fittings and vehicles	- 3 - 10 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income or losses' in the statement of comprehensive income.

Investment properties

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

Impairment of fixed assets

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

Roseland Village Limited

Notes forming part of the financial statements (continued) for the year ended 31 March 2016

1 Accounting policies (*continued*)

Valuation of investments

Investments held as fixed assets are stated at cost less any provisions for impairments.

Current and deferred taxation

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 or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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's subsidiaries operate and generate taxable income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

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

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

Roseland Village Limited

Notes forming part of the financial statements for the year ended 31 March 2016 (continued)

2 Judgements in applying accounting policies and key sources of estimation uncertainty

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

Investment property was revalued to fair value at the date of transition to FRS 102 (see note 14). The property has been valued by reference to the profits method taking into recent sales transactions of comparable properties. Profits for the property have been multiplied by a year's purchase multiplier of an average of 8 times.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 6)*

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3 Operating loss

	2016 £	2015 £
This is arrived at after including:		
Depreciation charge	28,670	28,670

Auditor's fees were paid by RV Services Limited, another group undertaking, in the year and the preceding period. The directors received no emoluments in respect of their services to the company. The company has no employees other than the directors.

4 Interest payable and similar charges

	2016 £	2015 £
Bank loans	27,129	28,641

Roseland Village Limited

Notes forming part of the financial statements
for the year ended 31 March 2016 (*continued*)

5 Taxation on profit on ordinary activities

	2016 £	2015 £
<i>UK Corporation tax</i>		
UK corporation tax on surplus of the year	-	-
	<hr/>	<hr/>
Total current tax	-	-
	<hr/>	<hr/>
<i>Deferred tax</i>		
Origination and reversal of timing differences	5,828	(4,723)
	<hr/>	<hr/>
Taxation on ordinary activities	5,828	(4,723)
	<hr/>	<hr/>

The tax assessed for the year is different from the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2016 £	2015 £
(Loss) on ordinary activities before tax	(55,830)	(57,343)
	<hr/>	<hr/>
(Loss) on ordinary activities at the standard rate of corporation tax in the UK of 20% (2015 - 21%)	(11,166)	(12,042)
Effect of:		
Expenses not deductible	4,278	2,507
Group relief	6,888	4,812
Change in tax rate	5,828	-
	<hr/>	<hr/>
Current tax charge for the year	5,828	(4,723)
	<hr/>	<hr/>

Roseland Village Limited

Notes forming part of the financial statements
for the year ended 31 March 2016 (*continued*)

6 Tangible fixed assets

	Investment properties £	Freehold land and buildings £	Fixtures and fittings £	Total £
<i>Cost or valuation</i>				
At 1 April 2015	1,666,667	708,215	91,066	2,465,948
Disposals	-	-	(91,066)	(91,066)
	<u>1,666,667</u>	<u>708,215</u>	<u>-</u>	<u>2,374,882</u>
<i>Depreciation</i>				
At 1 April 2015	-	41,670	72,852	114,522
Provided for the year	-	10,456	18,214	28,670
Disposals	-	-	(91,066)	(91,066)
	<u>-</u>	<u>52,126</u>	<u>-</u>	<u>52,126</u>
<i>Net book value</i>				
At 31 March 2016	<u>1,666,667</u>	<u>656,089</u>	<u>-</u>	<u>2,322,756</u>
<i>Net book value</i>				
At 31 March 2015	<u>1,666,667</u>	<u>666,545</u>	<u>18,214</u>	<u>2,351,426</u>

The investment properties and buildings were valued on 1 April 2014 at fair value, determined by an independent, professionally qualified valuer. The valuations were undertaken in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual. Details on the assumptions made and the key sources of estimation uncertainty are given in note 2.

The directors consider there to be no significant change in the fair value since this date.

If Investment property had been accounted for under the historic cost accounting rules, the property would have been measured as follows:

	2016 £	2015 £
Historic cost	2,045,667	2,045,667
Accumulated depreciation and impairments	<u>52,126</u>	<u>41,670</u>
	<u>1,993,541</u>	<u>2,003,997</u>
Excess of historic cost over net book value	<u>326,874</u>	<u>337,330</u>

Roseland Village Limited

Notes forming part of the financial statements
for the year ended 31 March 2016 (continued)

7 Fixed asset investments

Shares in
group
Undertakings
£

Cost or valuation

At 1 April 2015 and 31 March 2016

1,489,313

Subsidiary undertakings, associated undertakings and other investments

The principal undertakings of the company are as follows:

	Country of incorporation or registration	Class of share capital held	Proportion of share capital held	Nature of business
Roseland Parc Limited	England and Wales	Ordinary	100%	Retirement village
Roseland Care Limited	England and Wales	Ordinary	100%	Nursing home services
Roseland Management Limited	England and Wales	Ordinary	100%	Management

8 Debtors

	2016 £	2015 £
Amounts owed by group undertakings	-	1,205,000
Deferred tax asset (see note 11)	68,223	74,051
	<u>68,223</u>	<u>1,279,051</u>

9 Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans	60,000	60,000
Amounts owed to group undertakings	3,649,581	4,787,081
Other creditors and accruals	4,480	4,656
	<u>3,714,061</u>	<u>4,851,737</u>

Roseland Village Limited

Notes forming part of the financial statements
for the year ended 31 March 2016 (continued)

10 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Bank loan (secured)	789,367	852,062
Maturity of debt:		
	Loans and Overdrafts 2015 £	Loans and Overdrafts 2014 £
In one year or less, or on demand	60,000	60,000
In more than one year but not more than two years	60,000	60,000
In more than two years but not more than five years	180,000	180,000
In more than five years	549,367	612,062
	789,367	852,062

The bank loan is secured on the land and other assets of Roseland Village Limited and guarantees from Roseland Parc Limited and Roseland Care Limited. Interest is payable on the loan at a rate per annum equal to the aggregate of LIBOR, the margin of 2.5% and associated costs for the relevant interest period. The loan is repayable in instalments and expires in December 2027.

Roseland Village Limited

Notes forming part of the financial statements
for the year ended 31 March 2016 (*continued*)

11 Deferred tax asset

	Deferred taxation £
At 1 April 2015	74,051
Charged to profit and loss account	(5,828)
	<hr/>
At 31 March 2016	68,223
	<hr/>

Deferred taxation comprises

	Accelerated capital allowances 2016 £	Investment property revaluations 2016 £	Total 2016 £
Deferred tax asset	-	68,223	68,223
	<hr/>	<hr/>	<hr/>
	Accelerated capital allowances 2015 £	Investment property revaluations 2015 £	Total 2015 £
Deferred tax (liability) / asset	(1,752)	75,803	74,051
	<hr/>	<hr/>	<hr/>

12 Share capital

	Allotted, called up and fully paid 2016 £	2015 £
1 Ordinary share of £1	1	1
	<hr/>	<hr/>

13 Immediate and ultimate parent company

The immediate parent undertaking of the company is Retirement Villages Limited, a company incorporated in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Romac Investments Limited, incorporated in The Isle of Man. The smallest group in which they are consolidated is that headed by Retirement Villages Group Limited, incorporated in England and Wales. The consolidated accounts are available to the public and may be obtained from 1st Floor Brunswick House, Regent Park, 297-299 Kingston Rd, Leatherhead, Surrey, KT22 7LU.

The ultimate parent undertaking is Romac Investments Limited, a company incorporated in the Isle of Man and no party is considered to have a controlling interest.

Roseland Village Limited

Notes forming part of the financial statements
for the year ended 31 March 2016 (*continued*)

14 First time adoption of FRS 102

	Note	Equity as at 1 April 2014 £	Profit for the Year ended 31 March 2015 £	Equity as at 31 March 2015 £
As previously stated under former UK GAAP		(205,573)	(52,620)	(258,193)
Transitional adjustments				
Revaluation of investment property to fair value	a	(379,000)	-	(379,000)
Deferred tax recognised on revaluation of investment property	b	75,803	-	75,803
		<hr/>	<hr/>	<hr/>
As stated in accordance with FRS 102		(508,770)	(52,620)	(561,390)
		<hr/>	<hr/>	<hr/>

Explanation of changes to previously reported profit and equity

- a. FRS 102 requires investment property to be carried at fair value with movements in fair value to be recognised in profit or loss for the period. Under previous UK GAAP these properties were carried at market value based upon a directors' valuation. External valuations have been obtained in order to determine the fair value at transition date resulting in adjustments to the value of these investment properties, which has resulted in an increase in equity.
- b. FRS 102 requires that deferred tax be recognised on revaluations of investment property. This was not required under previous UK GAAP unless there was a binding agreement to sell the revalued asset and the gains or losses expected to arise on sale had been recognised. This change has been retrospectively applied, leading to the recognition of additional deferred tax liabilities at the date of transition.