

**Audley Willicombe Management Limited**

**Directors' report and financial statements**

**for the year ended 31 December 2012**



# **Audley Willicombe Management Limited**

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## **Audley Willicombe Management Limited**

### **Company information**

<b>Directors</b>	M N Sanderson P Morgan D Driscoll K Rose
<b>Registered number</b>	06208889
<b>Registered office</b>	Swan Court Kingsbury Crescent Staines Middlesex TW18 3BA
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 1 Embankment Place London WC2N 6RH

## **Audley Willicombe Management Limited**

### **Directors' report for the year ended 31 December 2012**

The directors present their report and the audited financial statements of Audley Willicombe Management Limited (the "Company") for the year ended 31 December 2012

#### **Principal activity**

The Company's principal activity during the year was that of the operation of a retirement village

#### **Results**

The Company's profit for the financial year is £8,899 (2011 - £15,316)

#### **Directors**

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

M N Sanderson

P Morgan

I Trinder (resigned 25 April 2013)

D Driscoll (appointed 22 February 2012)

K Rose (appointed 11 July 2012)

#### **Statement of directors' responsibilities**

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to

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

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

#### **Statement of disclosure 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 information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

**Audley Willicombe Management Limited**

**Directors' report  
for the year ended 31 December 2012**

**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 30 September 2013 and signed on its behalf

A handwritten signature in black ink, appearing to read 'M N Sanderson', written in a cursive style.

**M N Sanderson**  
Director

## **Audley Willicombe Management Limited**

### **Independent auditors' report to the members of Audley Willicombe Management Limited**

We have audited the financial statements of Audley Willicombe Management Limited for the year ended 31 December 2012 which comprise the Profit and loss account, the Balance sheet 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).

#### **Respective responsibilities of directors and auditors**

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). 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.

#### **Scope of the audit of the financial statements**

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. In addition, we read all the financial and non-financial information in the Directors' report and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **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 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

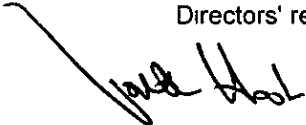
**Audley Willicombe Management Limited**

**Independent auditors' report to the members of Audley Willicombe Management Limited**

**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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' report



Jonathan Hook (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place  
London  
WC2N 6RH

30 September 2013

**Audley Willicombe Management Limited**

**Profit and loss account  
for the year ended 31 December 2012**

	<b>Note</b>	<b>2012 £</b>	<b>2011 £</b>
<b>Turnover</b>	1,2	<b>913,342</b>	<b>842,197</b>
<b>Cost of sales</b>		<b>(904,443)</b>	<b>(826,867)</b>
		<hr/>	<hr/>
<b>Operating profit</b>	3	<b>8,899</b>	<b>15,330</b>
<b>Interest payable and similar charges</b>	6	<b>-</b>	<b>(14)</b>
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>		<b>8,899</b>	<b>15,316</b>
<b>Tax on profit on ordinary activities</b>	7	<b>-</b>	<b>-</b>
		<hr/>	<hr/>
<b>Profit for the financial year</b>	13	<b>8,899</b>	<b>15,316</b>
		<hr/>	<hr/>

All amounts above relate to continuing operations

The Company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above, and their historical cost equivalents

The notes on pages 8 to 13 form an integral part of these financial statements



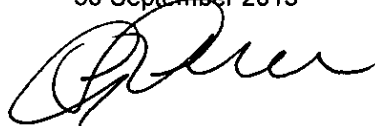


**Audley Willicombe Management Limited**  
**Registered number 06208889**

**Balance sheet**  
**as at 31 December 2012**

	Note	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Tangible assets	8		3,481		6,094
<b>Current assets</b>					
Stocks	9	1,170		927	
Debtors	10	159,366		148,698	
Cash at bank and in hand		106,662		51,971	
		<u>267,198</u>		<u>201,596</u>	
<b>Creditors</b> amounts falling due within one year	11	(166,732)		(112,642)	
<b>Net current assets</b>			<u>100,466</u>		<u>88,954</u>
<b>Net assets</b>			<u><u>103,947</u></u>		<u><u>95,048</u></u>
<b>Capital and reserves</b>					
Called up share capital	12		1		1
Profit and loss account	13		<u>103,946</u>		<u>95,047</u>
<b>Total shareholders' funds</b>	14		<u><u>103,947</u></u>		<u><u>95,048</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2013



**M N Sanderson**  
**Director**

The notes on pages 8 to 13 form an integral part of these financial statements

**Notes to the financial statements  
for the year ended 31 December 2012**

**1 Accounting policies**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

**1.2 Cash flow statement**

The Company has taken advantage of the exemption from preparing a cash flow statement contained in FRS 1 "Cash flow statements" on the grounds that it is a small company.

**1.3 Turnover**

Turnover represents management charges receivable and other income stated net of value added tax.

**1.4 Tangible fixed assets**

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight line basis.

Straight line annual rates of depreciation most widely used are:

Plant, machinery and equipment	-	33.3%
Fixtures and fittings	-	10%

Freehold land is not depreciated.

**1.5 Stocks**

Stocks, comprising consumables for sale in the restaurant, are stated at the lower of cost and net realisable value.

**1.6 Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

# Audley Willicombe Management Limited

## Notes to the financial statements for the year ended 31 December 2012

### 1 Accounting policies (continued)

#### 1.7 Accrued income

The Company levies a Deferred Management Charge from each resident upon exit from their premises. The Deferred Management Charge is defined in the lease signed by each resident and is calculated based on a specified percentage, capped at 5%, of sale proceeds or agreed valuation of said premises. The directors of the Company assess the value of the occupied premises each year based upon the average price per square foot achieved for sold properties during the year and apply the relevant percentage for the length of occupation for each resident. Any increase or decrease in the calculated Deferred Management Charge at year end is taken to the profit and loss account in that year.

### 2 Turnover

Turnover relates to the Company's main activity which is carried out in the United Kingdom.

### 3 Operating profit

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the Company	3,574	4,097

Audit fees were borne by the immediate parent company, Audley Court Limited, in both years.

### 4 Staff costs

Staff costs were as follows

	2012 £	2011 £
Wages and salaries	400,346	362,824
Social security costs	27,169	25,638
	427,515	388,462

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

	2012 Number	2011 Number
Care, care management and housekeeping	14	14
Estate management	8	8
Bar and restaurant	3	3
	25	25

**Notes to the financial statements  
for the year ended 31 December 2012**

**5 Directors' remuneration**

There was no remuneration paid to the directors by the Company during the year (2011 - £nil) There were no retirement benefits accruing to the directors (2011 - £nil)

**6 Interest payable and similar charges**

	2012 £	2011 £
Interest payable on bank overdraft	-	14

**7 Tax on profit on ordinary activities**

	2012 £	2011 £
UK corporation tax charge on profit for the year	-	-

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2011 - lower than) the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before taxation	8,899	15,316
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%)	2,180	4,059
<b>Effects of</b>		
Expenses not deductible/ income not taxable	(876)	-
Effects of group relief claimed and not paid for	(4,135)	(4,059)
Accelerated capital allowances/ other timing differences	2,831	-
<b>Total current tax</b>	-	-

**Factors that may affect future tax charges**

In addition to the changes in rates of Corporation tax disclosed within the note above further changes to the UK corporation tax system have been announced. In the autumn statement 2012 a reduction to the main rate was announced to reduce the rate to 21% from 1 April 2014. In the Budget 2013 a further reduction to the main rate was announced to reduce the rate to 20% from 1 April 2015. These changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements. The impact of the proposed changes is not expected to be material to the balance sheet.



**Audley Willicombe Management Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

**8 Tangible assets**

	Fixtures and fittings £	Plant, machinery and equipment £	Total £
<b>Cost</b>			
At 1 January 2012	5,968	7,381	13,349
Additions	-	961	961
At 31 December 2012	5,968	8,342	14,310
<b>Accumulated depreciation</b>			
At 1 January 2012	2,146	5,109	7,255
Charge for the year	1,988	1,586	3,574
At 31 December 2012	4,134	6,695	10,829
<b>Net book value</b>			
At 31 December 2012	1,834	1,647	3,481
At 31 December 2011	3,822	2,272	6,094

**9 Stocks**

	2012 £	2011 £
Goods for resale	1,170	927

**10 Debtors**

	2012 £	2011 £
Trade debtors	128,191	95,201
Amounts owed by group undertakings	28,168	46,556
Prepayments and accrued income	3,007	6,941
	159,366	148,698

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





**Audley Willicombe Management Limited**

**Notes to the financial statements  
for the year ended 31 December 2012**

**11 Creditors**  
**Amounts falling due within one year**

	2012 £	2011 £
Trade creditors	18,111	8,253
Amounts owed to group undertakings	38,162	-
Other taxation and social security	3,051	3,326
Other creditors	88,926	85,399
Accruals and deferred income	18,482	15,664
	<u>166,732</u>	<u>112,642</u>

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

**12 Called up share capital**

	2012 £	2011 £
<b>Allotted and fully paid</b>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

**13 Reserves**

	Profit and loss account £
At 1 January 2012	95,047
Profit for the financial year	8,899
	<u>103,946</u>
At 31 December 2012	

**14 Reconciliation of movements in shareholders' funds**

	2012 £	2011 £
Opening shareholders' funds	95,048	79,732
Profit for the financial year	8,899	15,316
	<u>103,947</u>	<u>95,048</u>
Closing shareholders' funds		

## **Audley Willicombe Management Limited**

### **Notes to the financial statements for the year ended 31 December 2012**

#### **15 Related party transactions and ultimate controlling parties**

The Company's ultimate controlling parties are Moorfield Real Estate Fund II "A" Limited Partnership and Moorfield Real Estate Fund II "B" Limited Partnership

The Company has taken advantage of the exemptions contained in FRS 8 'Related Party Transactions' not to disclose transactions with related parties as all of the voting rights of the Company are controlled within the Audley Court Limited group

#### **16 Immediate and ultimate parent undertaking**

The immediate parent undertaking is Audley Court Limited, which is registered in England and Wales and is the parent undertaking of the smallest and largest group to consolidate these financial statements

Group financial statements are available on payment of the appropriate fee from Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ

The Company's ultimate parent undertaking is MREF II AC Holdings sarl, which is registered in Luxembourg