

Audley Willicombe Management Limited

Annual report and financial statements

For the year ended 31 December 2015



Audley Willicombe Management Limited

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Audley Willicombe Management Limited

Company information

Directors	M N Sanderson P Morgan K Rose K Shaw J Nettleton (appointed 1 January 2015) D Driscoll (resigned 23 January 2015) M Hindes (resigned 23 January 2015) J Austen (appointed 1 July 2016)
Registered number	06208889
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 Willicombe Management Limited

Directors' report

For the year ended 31 December 2015

The directors present their report and the audited financial statements of Audley Willicombe Management Limited (the "Company") for the year ended 31 December 2015.

Principal activity

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

Results

The Company's profit for the financial year is £16,414 (2014 - £20,169).

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 Morgan

K Rose

K Shaw

J Nettleton (appointed 1 January 2015)

D Driscoll (resigned 23 January 2015)

M Hindes (resigned 23 January 2015)

J Austen (appointed 1 July 2016)

Audley Willicombe Management Limited

Directors' report For the year ended 31 December 2015

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 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'. 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;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Statement of disclosure 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, and a resolution that they be reappointed will be proposed at the annual general meeting.

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 9 September 2016 and signed on its behalf.



J Austen
Director

Audley Willicombe Management Limited

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

Report on the financial statements

Our opinion

In our opinion Audley Willicombe Management 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 2015 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.

What we have audited

Audley Willicombe Management Limited's financial statements, comprise:

- the balance sheet as at 31 December 2015;
- the statement of comprehensive income for the year 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.

Opinions on matter prescribed by the Companies Act 2006

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

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 if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

Audley Willicombe Management Limited

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

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: prepare financial statements in accordance with the small companies' regime; and 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 3, 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 & 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.

What an audit of financial statements involves

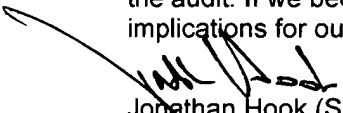
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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



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

9 September 2016

Audley Willicombe Management Limited

**Statement of comprehensive income
For the year ended 31 December 2015**

	Note	2015 £	2014 £
Turnover	5	1,152,653	1,166,291
Cost of sales		(1,136,239)	(1,146,122)
		<hr/>	<hr/>
Operating profit	6	16,414	20,169
Tax on profit on ordinary activities	9	-	-
		<hr/>	<hr/>
Profit for the financial year		16,414	20,169
		<hr/>	<hr/>
Total comprehensive income for the year		16,414	20,169
		<hr/>	<hr/>

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

Audley Willicombe Management Limited
Registered number:06208889

Balance sheet
As at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Tangible assets	10	3,962	2,472
		<u>3,962</u>	<u>2,472</u>
Current assets			
Stocks	11	2,315	1,170
Debtors	12	214,115	282,597
Cash at bank and in hand		84,599	13,783
		<u>301,029</u>	<u>297,550</u>
Creditors: amounts falling due within one year	13	(145,946)	(157,391)
Net current assets		<u>155,083</u>	<u>140,159</u>
Total assets less current liabilities		<u>159,045</u>	<u>142,631</u>
Net assets		<u><u>159,045</u></u>	<u><u>142,631</u></u>
Capital and reserves			
Called up share capital	14	1	1
Profit and loss account		159,044	142,630
Total shareholders' funds		<u><u>159,045</u></u>	<u><u>142,631</u></u>

The financial statements on page 6 to 18 were approved and authorised for issue by the board of directors on 9 September 2016 and were signed on its behalf by:



J Austen
Director

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

Audley Willicombe Management Limited

**Statement of changes in equity
As at 31 December 2015**

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 January 2015	1	142,630	142,631
Comprehensive income for the year			
Profit for the financial year	-	16,414	16,414
Total comprehensive income for the year	-	16,414	16,414
At 31 December 2015	1	159,044	159,045

**Statement of changes in equity
As at 31 December 2014**

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 January 2014	1	122,461	122,462
Comprehensive income for the year			
Profit for the financial year	-	20,169	20,169
Total comprehensive income for the year	-	20,169	20,169
At 31 December 2014	1	142,630	142,631

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

Audley Willicombe Management Limited

Notes to the financial statements For the year ended 31 December 2015

1. General information

The Company's principal activity during the financial year was that of the management 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 Willicombe Management 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 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 exemptions:

- 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.

**Notes to the financial statements
For the year ended 31 December 2015**

3. Summary of significant accounting policies (continued)

3.3 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:

Office equipment	-	33%
Fixtures & fittings	-	10%

3.4 Stocks

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

3.5 Cash and cash equivalents

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

3.6 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.

3.7 Turnover

Turnover represents management charges receivable and other income receivable, excluding value added tax. Revenue is recognised when and to the extent that the company obtains the right to consideration in exchange for its performance.

3.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**Notes to the financial statements
For the year ended 31 December 2015**

3. Summary of significant accounting policies (continued)

3.9 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.

**Notes to the financial statements
For the year ended 31 December 2015**

3. Summary of significant accounting policies (continued)

3.10 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 the 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.

(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..

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

3.11 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.

**Notes to the financial statements
For the year ended 31 December 2015**

4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical judgements in applying the entity's accounting policies

There are no critical accounting judgments or estimation uncertainty impacting the company.

5. Turnover

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

6. Operating profit

Operating profit is stated after charging

	2015	2014
	£	£
Depreciation of tangible fixed assets		
- owned by the company	2,361	1,849
Lease costs		
- vehicles	2,576	-
	<u>2,576</u>	<u>-</u>

Audit fees were borne by the immediate parent undertaking, Audley Court Limited, in both years. Total audit fees borne by Audley Court Limited were £68,792 (2014 - £60,000) for the year ended 31 December 2015.

Audley Willicombe Management Limited

Notes to the financial statements For the year ended 31 December 2015

7. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	504,618	517,350
Social security costs	36,965	38,979
Cost of defined contribution scheme	11,025	3,884
	<u>552,608</u>	<u>560,213</u>

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

	2015 Number	2014 Number
Care, care management and housekeeping	15	16
Estate management	6	8
Bar and restaurant	4	4
Sales and marketing	1	2
	<u>26</u>	<u>30</u>

8. Directors' remuneration

There was no remuneration paid to the directors by the Company during the year (2014 - £nil). There were no retirement benefits accruing to the directors (2014 - £nil).

Directors' remuneration was paid by the immediate parent undertaking, Audley Court Limited, which totalled £3.6m (2014 - £1.4m) for the year ended 31 December 2015. The highest paid Director received a remuneration of £1.5m (2014 - £322,000).

**Notes to the financial statements
For the year ended 31 December 2015**

9. Tax on profit on ordinary activities

	2015 £	2014 £
Corporation tax		
Current tax on profits for the year	-	-
Total current tax	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 -higher than) the standard rate of corporation tax in the UK of 20.25% (2014 -21.5%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>16,414</u>	<u>20,169</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014 -21.5%)	3,324	4,336
Effects of:		
Group relief claimed and not paid for	(2,696)	(3,758)
Accelerated capital allowances and other timing differences	-	(578)
Utilisation of losses	(628)	-
Total tax charge for the year	<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 2015 on 26 October 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Audley Willicombe Management Limited

**Notes to the financial statements
For the year ended 31 December 2015**

10. Tangible assets

	Office equipment £	Fixtures & fittings £	Total £
Cost			
At 1 January 2015	12,272	5,968	18,240
Additions	3,851	-	3,851
At 31 December 2015	16,123	5,968	22,091
Accumulated depreciation			
At 1 January 2015	9,800	5,968	15,768
Charge for the year	2,361	-	2,361
At 31 December 2015	12,161	5,968	18,129
At 31 December 2015	3,962	-	3,962
At 31 December 2014	2,472	-	2,472

11. Stocks

	2015 £	2014 £
Goods for resale	2,315	1,170
	2,315	1,170

12. Debtors

	2015 £	2014 £
Trade debtors	134,900	241,366
Amounts owed by group undertakings	58,185	36,356
VAT recoverable	11,830	-
Prepayments and accrued income	9,200	4,875
	214,115	282,597

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 2015

13. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	-	14,038
Other tax and social security	-	6,465
Accruals and deferred income	145,946	136,888
	<u>145,946</u>	<u>157,391</u>

14. Called up share capital

	2015 £	2014 £
Allotted and fully paid		
1 (2014 - 1) ordinary share of £1 each	1	1
	<u>1</u>	<u>1</u>

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £11,025 (2014 - £3,884).

16. Commitments under operating leases

At 31 December 2015 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2015 £	2014 £
Not later than 1 year	8,379	7,681
Later than 1 year and not later than 5 years	16,059	-
Total	<u>24,438</u>	<u>7,681</u>

17. Related party transactions

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.

**Notes to the financial statements
For the year ended 31 December 2015**

18. Immediate and ultimate parent undertaking and ultimate controlling party

The Company's 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, Maindy, Cardiff, CF14 3UZ.

The Company's ultimate parent undertaking is MAREF Topco Ltd, which is registered in England and Wales.

At 31 December 2015 the Company's ultimate controlling parties are Moorfield Audley Real Estate Fund "A" Limited Partnership and Moorfield Audley Real Estate Fund "B" Limited Partnership, which are Limited Partnerships registered in England and Wales.

19. First time adoption of FRS 102

This is the first year that the Company has presented its results under the FRS 102. The last financial statements prepared under UK GAAP were for the year ended 31 December 2014. The effective date of transition to FRS 102 was 1 January 2014. There were no changes in accounting policies arising on the transition from UK GAAP to FRS 102 and no measurement differences.