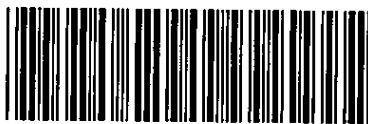


SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

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COMPANIES HOUSE

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

COMPANY INFORMATION

Directors	J S Billane K J Maddin T B Newell A G Roche M E Wills
Company secretary	A G Roche
Company number	06237939
Registered office	Shire House West Common Gerrards Cross Buckinghamshire SL9 7QN
Auditors	PKF (UK) LLP Pannell House Park Street Guildford Surrey GU1 4HN

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

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SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

The directors present their annual report and the financial statements for the year ended 31 December 2008.

Principal activity

The principal activity of the company was the provision of senior living accommodation and ancillary services.

Directors

The directors who served during the year were:

J S Billane (appointed 1 March 2009)
D E Driscoll (resigned 31 October 2008)
R P Jupp (resigned 3 June 2008)
K J Maddin
T B Newell (appointed 1 December 2008)
A G Roche
M E Wills

Political and charitable contributions

During the year the company made charitable donations totalling £2,739 (2007: £Nil)

Provision 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
- each 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.

Small company exemption

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 30th June 2009 and signed on its behalf.



A G Roche
Director

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2008

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required to 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 judgments and 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 proper accounting records that 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 1985. 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.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

We have audited the financial statements of Signature at Loxley Park (Operations) Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

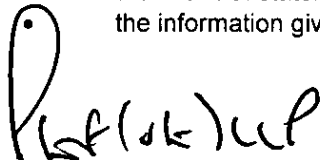
SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SIGNATURE AT LOXLEY PARK
(OPERATIONS) LIMITED**

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and the information given in the Directors' Report is consistent with the financial statements.


PKF (UK) LLP

Registered auditors

Guildford, UK

Date: 30 June 2009

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2008**

	Note	2008 £	2007 £
TURNOVER	1	1,232,569	477,603
Cost of sales		<u>(789,987)</u>	<u>(355,585)</u>
GROSS PROFIT		442,582	122,018
Administrative expenses		(464,809)	(361,129)
Other operating income		<u>286,785</u>	<u>120,000</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2	264,558	(119,111)
Tax on profit/(loss) on ordinary activities	3	<u>722</u>	<u>(722)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>265,280</u></u>	<u><u>(119,833)</u></u>

The notes on pages 7 to 11 form part of these financial statements.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2008

	Note	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible fixed assets	4		47,813		21,688
CURRENT ASSETS					
Stocks		2,920		2,000	
Debtors: amounts falling due after more than one year	5	407,212		119,356	
Debtors: amounts falling due within one year	5	33,270		24,979	
Cash at bank and in hand		29,074		10,187	
		<u>472,476</u>		<u>156,522</u>	
CREDITORS: amounts falling due within one year	6	<u>(152,615)</u>		<u>(147,136)</u>	
NET CURRENT ASSETS			<u>319,861</u>		<u>9,386</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>367,674</u>		<u>31,074</u>
CREDITORS: amounts falling due after more than one year	7		<u>(222,225)</u>		<u>(150,183)</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	8		-		(722)
NET ASSETS/(LIABILITIES)			<u><u>145,449</u></u>		<u><u>(119,831)</u></u>
CAPITAL AND RESERVES					
Called up share capital	9		2		2
Profit and loss account	10		145,447		(119,833)
SHAREHOLDERS' FUNDS/(DEFICIT)			<u><u>145,449</u></u>		<u><u>(119,831)</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

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

30th JUNE 2009



A G Roche
Director

The notes on pages 7 to 11 form part of these financial statements.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

At the balance sheet date, the company had net assets of £145,449 (2007: £119,831 net liabilities). The group of which the company is a member is party to loan note facilities of up to £50 million, with a redemption date of 27 January 2016. At the date of approving these financial statements, £12.15 million (2007: £12.65 million) of this loan facility remains available and the group has obtained a letter from the loan note provider confirming that they are not aware of any reasons why they would withdraw or reduce this facility. Although there can be no absolute certainty that this facility will be available throughout the next twelve months, the directors have no reason to believe that the support will be withdrawn. Based on the availability of this facility, the Board are satisfied that it is appropriate to prepare the financial statements on the basis that the company is a going concern.

1.2 Turnover

Turnover comprises of revenue recognised by the company in respect of assisted living fees and services supplied, exclusive of Value Added Tax and trade discounts. Turnover is recognised in the period to which it relates. All turnover arises within the United Kingdom.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Furniture, fittings and equipment - 16.7% - 33.3% straight line

1.4 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.5 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

2. PROFIT/(LOSS)

The profit/(loss) is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets: - owned by the company	9,536	2,913

During the year, no director received any emoluments (2007 - £nil).

The audit fee is borne by Signature Senior Lifestyle Limited and has been recharged to Signature at Loxley Park (Operations) Limited as part of the overall management charge.

3. TAXATION

	2008 £	2007 £
Analysis of tax charge in the year		
Current tax		
UK corporation tax charge on profit/(loss) for the year	-	-
Deferred tax (see note 8)		
Origination and reversal of timing differences	(722)	722
Tax on profit/(loss) on ordinary activities	(722)	722

Factors that may affect future tax charges

The company has tax losses of approximately £2,298,656 (2007: £2,584,027) to carry forward against profits of future periods.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

4. TANGIBLE FIXED ASSETS

	Furniture, fittings and equipment £
Cost	
At 1 January 2008	24,601
Additions	35,661
	<hr/>
At 31 December 2008	60,262
Depreciation	
At 1 January 2008	2,913
Charge for the year	9,536
	<hr/>
At 31 December 2008	12,449
Net book value	
At 31 December 2008	47,813
	<hr/>
At 31 December 2007	21,688
	<hr/>

5. DEBTORS

	2008 £	2007 £
Due after more than one year		
Amounts owed by group undertakings	407,212	119,356
	<hr/>	<hr/>
Due within one year		
Trade debtors	25,179	19,469
Other debtors	8,091	5,510
	<hr/>	<hr/>
	33,270	24,979
	<hr/>	<hr/>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are not repayable in the immediate future.

**6. CREDITORS:
Amounts falling due within one year**

	2008 £	2007 £
Trade creditors	17,682	25,305
Social security and other taxes	28,568	22,414
Other creditors	106,365	99,417
	<hr/>	<hr/>
	152,615	147,136
	<hr/>	<hr/>

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2008

7. CREDITORS:

Amounts falling due after more than one year

	2008 £	2007 £
Amounts owed to group undertakings	<u>222,225</u>	<u>150,183</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are not repayable in the immediate future.

8. DEFERRED TAXATION

	2008 £	2007 £
At beginning of year	722	-
Released during/(charged for) year	<u>(722)</u>	<u>722</u>
At end of year	<u>-</u>	<u>722</u>

The provision for deferred taxation is made up as follows:

	2008 £	2007 £
Accelerated capital allowances	<u>-</u>	<u>722</u>

9. SHARE CAPITAL

	2008 £	2007 £
Authorised, allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

10. RESERVES

	£
At 1 January 2008	(119,833)
Profit for the year	<u>265,280</u>
At 31 December 2008	<u>145,447</u>

11. CONTINGENT LIABILITIES

The company has contingent liabilities at 31 December 2008 in respect of unlimited guarantees given in the normal course of business to support borrowings by Signature at Loxley Park Property (Property) Limited. At 31 December 2008 Signature at Loxley Park (Property) Limited had net indebtedness to the bank of £6,123,369 (2007: £6,126,772).

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008**

12. RELATED PARTY TRANSACTIONS

As permitted under Financial Reporting Standards for Smaller Entities these financial statements do not disclose transactions with the parent undertakings and fellow subsidiaries where 90% of the voting rights are controlled within the group.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent company is Signature at Loxley Park (Property) Limited, and its ultimate parent company is Signature Senior Lifestyle Holdings Limited, which is the largest and smallest group in which consolidated accounts are produced. The accounts are publicly available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ. The ultimate controlling party is considered by the directors to be John Van Deventer.