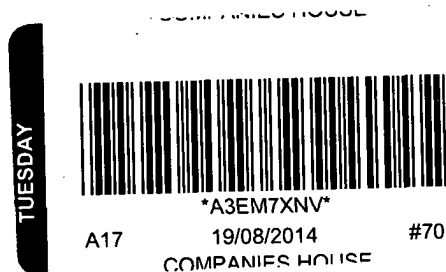


SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2013



SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

COMPANY INFORMATION

Directors	K J Maddin T B Newell A G Roche
Company secretary	A G Roche
Registered number	06237939
Registered office	Grosvenor House Horseshoe Crescent Beaconsfield Buckinghamshire HP9 1LJ
Independent auditor	BDO 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 2013**

The directors present their report and the financial statements for the year ended 31 December 2013.

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:

T B Newell
K J Maddin
A G Roche

Provision of information to auditor

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 auditor is 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 auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23/7/14

and signed on its behalf.



.....
A G Roche
Director

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

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 elected to prepare 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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 AUDITOR'S 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 2013 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 the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller entities; 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SIGNATURE AT LOXLEY PARK
(OPERATIONS) 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 prepare the financial statements and the directors' report in accordance with the small companies regime and to the exemption from the requirement to prepare a strategic report.

BDO LLP

Nick Poulter (senior statutory auditor)
for and on behalf of BDO LLP, statutory auditor
Guildford
United Kingdom

Date: **25 JULY 2014**

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

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 £	2012 £
TURNOVER	1	2,197,655	2,079,864
Cost of sales		(1,330,986)	(985,195)
GROSS PROFIT		866,669	1,094,669
Administrative expenses		(1,443,209)	(2,121,987)
Other operating income		414,594	380,277
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(161,946)	(647,041)
Tax on loss on ordinary activities	3	(9,704)	(86,329)
LOSS FOR THE FINANCIAL YEAR	10	(171,650)	(733,370)

The notes on pages 7 to 12 form part of these financial statements.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED
REGISTERED NUMBER: 06237939

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	£	2013 £	£	2012 £
FIXED ASSETS					
Tangible fixed assets	4		158,284		154,999
CURRENT ASSETS					
Stock		2,030		4,530	
Debtors: amounts falling due after more than one year	5	3,983,646		-	
Debtors: amounts falling due within one year	5	341,232		342,294	
Cash at bank and in hand		146,312		40,708	
			<u>4,473,220</u>	<u>387,532</u>	
CREDITORS: amounts falling due within one year	6	(409,692)		(100,220)	
NET CURRENT ASSETS			<u>4,063,528</u>		287,312
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>4,221,812</u>		<u>442,311</u>
CREDITORS: amounts falling due after more than one year	7		(3,951,151)		-
NET ASSETS			<u>270,661</u>		<u>442,311</u>
CAPITAL AND RESERVES					
Share capital	9		2		2
Profit and loss account	10		270,659		442,309
SHAREHOLDERS' FUNDS			<u>270,661</u>		<u>442,311</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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

23/7/14



.....
A G Roche
 Director

The notes on pages 7 to 12 form part of these financial statements.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

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 April 2008).

1.2 Turnover

Turnover comprises 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 at the point at which services are delivered. 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:

Motor vehicles	-	25% reducing balance
Furniture, fittings and equipment	-	10% - 33.33% straight line

1.4 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.5 Stock

Stock relates to consumable items and is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.6 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 2013

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The loss is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	45,388	41,290
Operating lease rentals	<u>1,351,472</u>	<u>664,538</u>

During the year, no director received any emoluments (2012 - £NIL).

The company's directors are remunerated by a fellow group company Signature Senior Lifestyle Limited and no recharge is made given the size of the group and the practicality of making such a charge. The directors have assessed that, having regard to the level of time spent and the nature of the company's affairs, a fair apportionment of the directors annual remuneration that would be attributable to this company is approximately £30,000 (2012: £27,589).

The audit fee for the company of £8,000 (2012: £7,900) has been borne by Signature Senior Lifestyle Limited, a company which meets all the group overheads.

The other operating lease charge shown above of £1,351,472 includes an amount of £386,841. In accordance with the requirements of Statement of Standard Accounting Practice Number 21 – Accounting for leases and hire purchase contracts – this adjustment has been made to recognise guaranteed future lease payments due over the term of the lease on a straight line basis. The company's property lease commitments include an annual RPI based increase on annual lease payments with a cap and collar of 4.0% and 2.0% respectively. The adjustment reflects the effect of recognising the guaranteed minimum increases as a result of the collar of 2% on a straight line basis over the lease term.

3. TAXATION

	2013 £	2012 £
Analysis of tax credit in the year		
Current tax		
UK corporation tax charge on loss for the year	-	-
Deferred tax		
Origination and reversal of timing differences	-	75,096
Effect of decreased tax rate on opening asset	9,704	11,233
Total deferred tax (see note 8)	<u>9,704</u>	<u>86,329</u>
Tax on loss on ordinary activities	<u>9,704</u>	<u>86,329</u>

Factors that may affect future tax charges

The company has tax losses of approximately £650,775 (2012: £nil) to carry forward against profits of future periods. Deferred taxation of £136,663 (2012: £nil) in relation to the losses has not been recognised on the grounds that there is not sufficient evidence that the asset will be recoverable.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

4. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures, Fittings and Equipment £	Total £
Cost			
At 1 January 2013	9,400	253,416	262,816
Additions	-	48,673	48,673
At 31 December 2013	9,400	302,089	311,489
Depreciation			
At 1 January 2013	4,551	103,266	107,817
Charge for the year	1,214	44,174	45,388
At 31 December 2013	5,765	147,440	153,205
Net book value			
At 31 December 2013	3,635	154,649	158,284
At 31 December 2012	4,849	150,150	154,999

5. DEBTORS

	2013 £	2012 £
Due after more than one year		
Amounts owed by group undertakings	3,983,646	-
Due within one year		
Trade debtors	115,853	52,153
Amounts owed by group undertakings	685	3,115
Prepayments and accrued income	108,817	168,154
Other debtors	6,709	-
Deferred tax asset (see note 8)	109,168	118,872
	341,232	342,294

Amounts owed by group undertakings are unsecured and interest free.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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

	2013 £	2012 £
Trade creditors	52,745	24,169
Amounts owed to group undertakings	97,530	10,292
Other taxation and social security	-	13,935
Accruals and reverse premium	258,857	25,807
Other creditors	560	26,017
	<u>409,692</u>	<u>100,220</u>

**7. CREDITORS:
Amounts falling due after more than one year**

	2013 £	2012 £
Accruals and reverse premium	<u>3,951,151</u>	<u>-</u>

8. DEFERRED TAX ASSET

	2013 £	2012 £
At beginning of year	118,872	205,201
Charged for year	(9,704)	(86,329)
At end of year	<u>109,168</u>	<u>118,872</u>

The deferred tax asset is made up as follows:

	2013 £	2012 £
Tax losses carried forward	<u>109,168</u>	<u>118,872</u>

9. SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

10. RESERVES

	Profit and loss account £
At 1 January 2013	442,309
Loss for the year	(171,650)
	<hr/>
At 31 December 2013	270,659
	<hr/>

11. OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	2013 £	2012 £
Expiry date:		
After more than 5 years	973,624	966,700
	<hr/>	<hr/>

The commitment noted above in respect of land and building differs to the charge reported in note 2 by an amount of £377,848. The company's operating lease commitments in respect of land and buildings are subject to an annual RPI based increase with a cap and collar of 4.0% and 2.0% respectively. The amount shown above represents the minimum contractual amount expected to be paid in the next year. The amount in note 2 also includes the recognition of the guaranteed minimum increases as a result of the collar of 2% on a straight line basis over the lease term.

Additionally, a lease premium of £3.9m was received when the lease was renegotiated and has been included, as appropriate, within current and long term other creditors and will benefit the company over its initial lease term.

12. OTHER FINANCIAL COMMITMENTS

The company has entered into a cross-guarantee with fellow subsidiaries whereby all companies within the Group have guaranteed to cover liabilities due under property lease commitments in three of the group companies, including the company.

13. RELATED PARTY TRANSACTIONS

In 2010, the company entered into a lease, as tenant, with MedicX Health (Loxley Park) Limited, a company that was under common control through the ultimate controlling party. Rental charges under the lease were £18,149 (2012: £664,538). At the year end and the prior year end no amounts were due to MedicX Health (Loxley Park) Limited.

As permitted under Financial Reporting Standards for Smaller Entities these financial statements do not disclose transactions with the parent undertakings and fellow subsidiaries where 100% of the voting rights are controlled within the group.

SIGNATURE AT LOXLEY PARK (OPERATIONS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

14. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent company is Signature Lessee 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.