

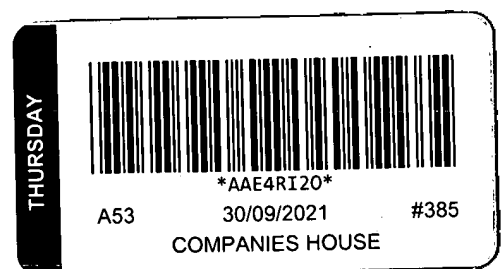
**WR Operations 2 Limited (formerly
Signature of Brentwood
(Operations) Limited)**

Directors' Report and Financial Statements

Year Ended

31 December 2020

Company Number 07712353



WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Company Information

Directors	D M Hatch J D Myers C M Roberts
Company secretary	CSC Corporate Services (UK) Limited
Registered number	07712353
Registered office	5 Churchill Place 10th Floor London England E14 5HU
Independent auditor	BDO LLP 31 Chertsey Street Guildford Surrey GU1 4HD

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

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WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Directors' Report For the Year Ended 31 December 2020

The directors present their report together with the audited financial statements for the year ended 31 December 2020.

On 29 December 2020, 75% of the company's issued share capital was acquired by Signature of Camberley (Operations) Limited, a company registered in England and Wales.

On 3 June 2021, the company changed its name Signature of Brentwood (Operations) Limited to WR Operations 2 Limited.

Principal activity

The principal activity of the company is that of a registered care and nursing home operator, following the grant of a long term operating lease.

Directors

The directors who served during the year were:

D M Hatch (appointed 29 December 2020)
J D Myers (appointed 29 December 2020)
C M Roberts (appointed 29 December 2020)
A G Roche (resigned 29 December 2020)
T J Ball (resigned 29 December 2020)
L K Cox (resigned 29 December 2020)

Going concern and subsequent events

Subsequent to the year end, the directors have transferred the trade and assets of the company to a fellow subsidiary, and the company has ceased trading as at 1 June 2021.

The directors acknowledge that it is their intention to commence the liquidation of the company in the foreseeable future. A liquidator has not yet been appointed as the liquidation of the entity is subject to receipt of an insurance claim. The timing of the insurance pay-out is uncertain, however once this is completed the liquidator will be appointed.

Disclosure 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 the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the 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 auditor is aware of that information.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Directors' Report (continued) For the Year Ended 31 December 2020

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 28 September 2021

and signed on its behalf.


Jason Myers (Sep 28, 2021 17:04 GMT+1)

J D Myers
Director

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Directors' Responsibilities Statement For the Year Ended 31 December 2020

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 judgements 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. As disclosed in note 2.1 to the financial statements, the directors do not consider the company to be a going concern and in consequence these financial statements have not been prepared on that basis.

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.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Independent Auditor's Report to the Members of WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Opinion on the 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 2020 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.

We have audited the financial statements of WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited ("the company")) for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - basis of preparation

We draw attention to note 2.1 to the financial statements, which indicates that the company ceased trading subsequent to the year end and it is the directors' intention to commence the liquidation of the company in the foreseeable future. Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in note 2.1. Our opinion is not modified in respect of this matter.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Independent Auditor's Report to the Members of WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited) (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Independent Auditor's Report to the Members of WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited) (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the significant laws and regulations to be the following:

- UK GAAP
- Companies Act 2006
- Corporation Tax legislation
- Care Quality Commission regulations

We understood how the company is complying with these laws and regulations by making enquiries of management. We corroborated our enquiries through our review of board minutes and correspondence with regulatory bodies.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it is considered there was a susceptibility of fraud. We obtained an understanding of the internal control environment and how management oversees the implementation of controls. We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. In areas of the financial statements where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included identifying any journals with unusual characteristics and testing material journal entries.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Independent Auditor's Report to the Members of WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited) (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

Nick Poulter

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Nick Poulter (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Guildford, UK

Date: 29 September 2021

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

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Statement of Comprehensive Income For the Year Ended 31 December 2020

	Note	2020 £	2019 £
Turnover	4	7,369,339	7,710,311
Cost of sales		(4,696,955)	(4,791,799)
Gross profit		2,672,384	2,918,512
Administrative expenses		(3,020,684)	(2,742,424)
Other operating income	5	150,587	-
Operating (loss)/profit	6	(197,713)	176,088
Interest receivable and similar income	8	8,749	4,966
(Loss)/profit before tax		(188,964)	181,054
Tax on (loss)/profit	9	119,492	(31,453)
(Loss)/profit for the financial year		(69,472)	149,601

There was no other comprehensive income for 2020 (2019: £Nil).

The notes on pages 11 to 21 form part of these financial statements.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Registered number: 07712353

Statement of Financial Position As at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	10		85,951		112,317
Current assets					
Debtors: amounts falling due after more than one year	11	833,233		713,741	
Debtors: amounts falling due within one year	11	2,253,532		2,984,858	
Cash at bank and in hand		313		163,198	
		<u>3,087,078</u>		<u>3,861,797</u>	
Creditors: amounts falling due within one year	12	(1,064,435)		(1,027,714)	
Net current assets			<u>2,022,643</u>		<u>2,834,083</u>
Total assets less current liabilities			<u>2,108,594</u>		<u>2,946,400</u>
Creditors: amounts falling due after more than one year	13		(1,474,861)		(1,543,195)
Net assets			<u><u>633,733</u></u>		<u><u>1,403,205</u></u>
Capital and reserves					
Called up share capital	15		2		2
Profit and loss account	16		633,731		1,403,203
Total equity			<u><u>633,733</u></u>		<u><u>1,403,205</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2021


Jason Myers (Sep 28, 2021 17:04 GMT+1)

J D Myers
Director

The notes on pages 11 to 21 form part of these financial statements.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Statement of Changes in Equity For the Year Ended 31 December 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	2	1,403,203	1,403,205
Comprehensive loss for the year			
Loss for the year	-	(69,472)	(69,472)
Total comprehensive loss for the year	-	(69,472)	(69,472)
Contributions by and distributions to owners			
Dividend paid	-	(700,000)	(700,000)
Total contributions by and distributions to owners	-	(700,000)	(700,000)
At 31 December 2020	2	633,731	633,733

Statement of Changes in Equity For the Year Ended 31 December 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	2	1,253,602	1,253,604
Comprehensive income for the year			
Profit for the year	-	149,601	149,601
Total comprehensive income for the year	-	149,601	149,601
At 31 December 2019	2	1,403,203	1,403,205

The notes on pages 11 to 21 form part of these financial statements.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited) is a private company incorporated in England and Wales under the Companies Act. It is a company limited by shares. The address of the registered office is given on the Company Information page and the nature of the company's operations and its principal activities are set out in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

As disclosed in note 20, the directors have transferred the trade and assets of the company to a fellow subsidiary, and the company has ceased trading as at 1 June 2021.

The directors acknowledge that it is their intention to commence the liquidation of the company in the foreseeable future. A liquidator has not yet been appointed as the liquidation of the entity is subject to receipt of an insurance claim. The timing of the insurance pay-out is uncertain, however once this is completed the liquidator will be appointed.

As a result, the directors have concluded that it is not appropriate to adopt a going concern basis of preparation in these financial statements. There are no adjustments which need to be made to the financial statements as a result of preparing the financial statements on a basis other than going concern.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Welltower Inc as at 31 December 2020 and these financial statements may be obtained from Welltower Inc. website: www.welltower.com.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.3 Turnover

Turnover comprises revenue recognised by the company in respect of wellbeing, nursing and care services supplied during the year, exclusive of Value Added Tax. Turnover is recognised at the point at which services are delivered. All turnover arises within the United Kingdom.

2.4 Finance costs

Finance costs are charged to Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.6 Interest income

Interest income is recognised in Statement of Comprehensive Income using the effective interest method.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- 16.67% - 33.33% per annum
Computer equipment	- 16.67% - 33.33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or 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 in Statement of Comprehensive Income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to and from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.12 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.

2.13 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in Statement of Comprehensive Income except that a charge attributable to an item of income and 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 operates and generates income.

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

- 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 10)

Tangible fixed assets 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.

- Deferred tax asset (see note 14)

Management estimation is required to determine the amount of deferred tax assets that can be recognised based upon likely timing and level of future taxable profits, together with an assessment of the effect of future tax planning strategies.

4. Turnover

The whole of the turnover is attributable to the principal business activity of the company and all arose in the United Kingdom.

5. Other operating income

	2020 £	2019 £
Government infection control grant	<u>150,587</u>	<u>-</u>

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

6. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	54,886	52,508
Fees payable to the company's auditor and its associates for the audit of the company's financial statements	6,820	6,500
Other operating lease rentals	2,509,488	2,317,599
	<u> </u>	<u> </u>

7. Employees

The company has no employees other than the three directors (2019: three directors).

During the year, no director received any emoluments (2019: £Nil).

The company's former directors were remunerated by a former group company Signature Senior Lifestyle Limited and no recharge was made given the size of the group and the practicality of making such a recharge. 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 £Nil (2019: £15,000).

All operating employee costs were incurred through Signature Senior Lifestyle Operations Ltd and recharged to the company as a component of composite welfare services under a management agreement.

8. Interest receivable and similar income

	2020 £	2019 £
Interest receivable from group companies	8,749	4,966
	<u> </u>	<u> </u>

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

9. Taxation

	2020 £	2019 £
Taxation on (loss)/profit on ordinary activities	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(35,522)	31,453
Effect of tax rate change on opening balance	(83,970)	-
Taxation on (loss)/profit on ordinary activities	(119,492)	31,453

Factors affecting tax (credit)/charge for the year

The tax assessed for the year is lower than (2019: higher than) the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%). The differences are explained below:

	2020 £	2019 £
(Loss)/profit on ordinary activities before tax	(188,964)	181,054
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(35,903)	34,400
Effects of:		
Fixed asset difference	351	570
Expenses not deductible for tax purposes	30	155
Other permanent differences	-	29
Adjustments to deferred tax due to change in tax rate	-	(3,701)
Remeasurement of deferred tax for changes in tax rates	(83,970)	-
Total tax (credit)/charge for the year	(119,492)	31,453

Factors that may affect future tax charges

The company has tax losses of approximately £4,396,053 (2019: £4,219,388) to carry forward against profits of future periods.

A change in the main UK corporation tax rate, announced in the budget on 3 March 2021, was substantively enacted on 24 May 2021. From 1 April 2023 the main corporation tax rate will increase from 19% to 25% on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. Where the company's profits fall between £50,000 and £250,000, the lower and upper limits, it will be able to claim an amount of marginal relief providing a gradual increase in the corporation tax rate. This will increase the company's future tax charge accordingly.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

10. Tangible fixed assets

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 January 2020	284,547	35,978	320,525
Additions	28,284	236	28,520
At 31 December 2020	312,831	36,214	349,045
Depreciation			
At 1 January 2020	193,271	14,937	208,208
Charge for the year	45,623	9,263	54,886
At 31 December 2020	238,894	24,200	263,094
Net book value			
At 31 December 2020	73,937	12,014	85,951
At 31 December 2019	91,276	21,041	112,317

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

11. Debtors

	2020 £	2019 £
Due after more than one year		
Deferred tax asset	833,233	713,741
	<u>833,233</u>	<u>713,741</u>
Due within one year		
Trade debtors	595,791	620,411
Amounts owed by group undertakings	1,186,001	2,042,253
Other debtors	320,925	45,368
Prepayments and accrued income	150,815	276,826
	<u>2,253,532</u>	<u>2,984,858</u>

The impairment loss recognised in the profit or loss for the year in respect of bad and doubtful trade debtors was £8,527 (2019: £15,257).

Amounts owed by group undertakings are unsecured, bear interest at 4% plus Bank of England base rate and are repayable on demand.

12. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	48,153	41,779
Amounts owed to group undertakings	-	113,664
Other creditors	109,545	12,379
Accruals and deferred income	906,737	859,892
	<u>1,064,435</u>	<u>1,027,714</u>

Amounts owed to group undertakings are unsecured, bear interest at 4% plus Bank of England base rate and are repayable on demand.

13. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Accruals and deferred income	1,474,861	1,543,195
	<u>1,474,861</u>	<u>1,543,195</u>

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

14. Deferred taxation

	2020 £
At beginning of year	713,741
Charged to profit or loss	119,492
At end of year	833,233

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(2,013)	(3,551)
Tax losses carried forward	835,246	717,292
	833,233	713,741

15. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

16. Reserves

The company's reserves are as follows:

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

WR Operations 2 Limited (formerly Signature of Brentwood (Operations) Limited)

Notes to the Financial Statements For the Year Ended 31 December 2020

17. Commitments under operating leases

At 31 December 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	2,226,519	2,577,633
Later than 1 year and not later than 5 years	8,906,076	10,310,534
Later than 5 years	39,156,234	47,901,610
	<u>50,288,829</u>	<u>60,789,777</u>

18. Related party transactions

The company has taken advantage of the exemption available under Section 33.1A of FRS 102 not to disclose transactions between group undertakings.

19. Ultimate parent undertaking and controlling party

Until 29 December 2020, the company's immediate parent company was Signature Lessee I Limited, a company registered in England and Wales.

On 29 December 2020, 75% of the company's issued share capital was acquired by Signature of Camberley (Operations) Limited, a company registered in England and Wales.

The ultimate controlling party is Welltower Inc., a company registered in the United States and registered on the New York stock exchange. This is smallest and largest group for which consolidated financial statements are prepared. These consolidated financial statements can be found on the Welltower Inc. website: www.welltower.com.

20. Subsequent events

Subsequent to the year end, the directors have transferred the trade and assets of the company to a fellow subsidiary, and the company has ceased trading as at 1 June 2021.

The directors acknowledge that it is their intention to commence the liquidation of the company in the foreseeable future. A liquidator has not yet been appointed as the liquidation of the entity is subject to receipt of an insurance claim. The timing of the insurance pay-out is uncertain, however once this is completed the liquidator will be appointed.

WR Operations 2 Limited 2020 Final

Final Audit Report

2021-09-28

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