

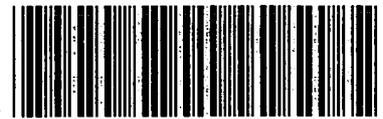
Registration number: 09505971

Wadhurst Manor 2015 Limited

Annual Report and Financial Statements

for the Period from 24 March 2015 to 31 December 2015

WEDNESDAY



L5GHWLKW

L11

28/09/2016

#49

COMPANIES HOUSE

Wadhurst Manor 2015 Limited

Contents

Company Information	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 6
Profit and Loss Account	7
Statement of Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 to 20

Wadhurst Manor 2015 Limited

Company Information

Directors	Pete Calveley Mark Hazlewood Ian Portal
Company secretary	Ian Portal
Registered office	Suite 304 Third Floor, Design Centre East Chelsea Harbour London SW10 0XF
Bankers	The Royal Bank of Scotland Plc London Corporate Services 2 1/2 Devonshire Square London EC2M 4XJ
Auditor	KPMG LLP 1 St. Peter's Square Manchester M2 3AE

Wadhurst Manor 2015 Limited

Directors' Report for the Period from 24 March 2015 to 31 December 2015

The Directors present their report and the financial statements for the first period from incorporation to 31 December 2015.

Incorporation

The Company was incorporated and commenced trading on 24 March 2015.

Principal activity

The principal activity of the Company is the ownership and leasing of a nursing home to a related company within the Grove Limited group ("Group").

Business review

On 15 September 2015, the Company acquired the freehold to a nursing home, Wadhurst Manor. As a consequence of this purchase, the Company assumed the role of lessor with reference to the existing long lease of Wadhurst Manor, the lessee being Barchester Healthcare Homes Limited, a company within the Group.

Details of the result for the year are set out in the Profit and Loss Account on page 7. The Directors are satisfied with the Company's result.

Directors of the Company

The Directors who held office during the period were as follows:

Pete Calveley (appointed 7 July 2015)

Mark Hazlewood (appointed 7 July 2015)

Ian Portal - Company secretary and Director (appointed 7 July 2015)

Michael Paul Harris (appointed 24 March 2015 and resigned 7 July 2015)

Muriel Shona Thorne (appointed 24 March 2015 and resigned 7 July 2015)

Dividends

The Directors recommend no final dividend payment be made in respect of the financial period ended 31 December 2015.

Going concern

The Directors have reasonable expectation that the Group and Company have adequate resources to continue in operation for the foreseeable future. The Directors therefore believe that it is appropriate to prepare the financial statements on a going concern basis. Further details are in note 2 to the financial statements.

Disclosure of information to the auditor

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

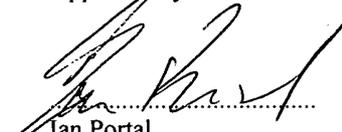
Wadhurst Manor 2015 Limited

Directors' Report for the Period from 24 March 2015 to 31 December 2015 (continued)

Appointment of auditor

The auditor KPMG LLP was appointed during the period and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 23 June 2016 and signed on its behalf by:



Ian Portal
Company secretary and Director

Wadhurst Manor 2015 Limited

Statement of Directors' Responsibilities

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 UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard* applicable in the UK and the 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards has been followed, subject to any material departures disclosed and explained in the 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Wadhurst Manor 2015 Limited

Independent Auditor's Report to the members of Wadhurst Manor 2015 Limited

We have audited the financial statements of Wadhurst Manor 2015 Limited for the period from 24 March 2015 to 31 December 2015, set out on pages 7 to 20. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) including FRS 102 *The Financial Reporting Standard* applicable in the UK and the Republic of Ireland.

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 auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 4), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors to the financial statements.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2015 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Wadhurst Manor 2015 Limited

**Independent Auditor's Report to the members of Wadhurst Manor 2015 Limited
(continued)**

Nicola Quayle

.....
Nicola Quayle (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St. Peter's Square
Manchester
M2 3AE

Date: *24 June 2016*

Wadhurst Manor 2015 Limited

Profit and Loss Account for the Period from 24 March 2015 to 31 December 2015

	Note	24 March 2015 to 31 December 2015 £ 000
Turnover	3	1
Administrative expenses		<u>(8)</u>
Operating loss	4	<u>(7)</u>
Other interest receivable and similar income	5	508
Interest payable and similar charges	6	<u>(337)</u>
		<u>171</u>
Profit before tax		164
Taxation	9	<u>(28)</u>
Profit for the financial period		<u><u>136</u></u>

The above results were derived from continuing operations.

Wadhurst Manor 2015 Limited

Statement of Comprehensive Income for the Period from 24 March 2015 to 31 December 2015

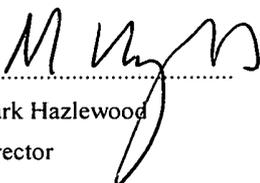
	24 March 2015 to 31 December 2015 £ 000
Profit for the period	<u>136</u>
Total comprehensive income for the period	<u><u>136</u></u>

The notes on pages 11 to 20 form an integral part of these financial statements.

Wadhurst Manor 2015 Limited
(Registration number: 09505971)
Balance Sheet as at 31 December 2015

	Note	31 December 2015 £ 000
Fixed assets		
Intangible assets	10	786
Tangible assets	11	<u>3</u>
		<u>789</u>
Current assets		
Debtors	13	10,022
Creditors: Amounts falling due within one year	14	<u>(10,675)</u>
Net current liabilities		<u>(653)</u>
Net assets		<u>136</u>
Capital and reserves		
Called up share capital	15	-
Profit and loss account		<u>136</u>
Total equity		<u>136</u>

Approved and authorised by the Board on 23 June 2016 and signed on its behalf by:



 Mark Hazlewood
 Director

Wadhurst Manor 2015 Limited

Statement of Changes in Equity for the Period from 24 March 2015 to 31 December 2015

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 24 March 2015	-	-	-
Profit for the period	-	136	136
Total comprehensive income	-	136	136
New share capital subscribed	-	-	-
At 31 December 2015	-	136	136

The notes on pages 11 to 20 form an integral part of these financial statements.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015

1 General information

The Company is a private company limited by share capital and domiciled in the UK.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The amendments to Financial Reporting Standard 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Summary of disclosure exemptions

As the Company is a wholly owned subsidiary of Grove Limited the Company has taken advantage of the disclosure exemptions contained in FRS 102 Section 1.12. By virtue of FRS 102 Section 33.1A the Company has not disclosed transactions or balances with wholly owned entities which form part of the Group.

Name of parent of group

These financial statements are consolidated in the financial statements of Grove Limited.

The financial statements of Grove Limited may be obtained from www.jersey.fsc.org.

Going concern

Notwithstanding the net current liabilities of £653,000, the Company has the long-term support of the ultimate parent company, Grove Limited. Grove Limited is, at the date of signing these financial statements, undergoing a renegotiation of its financing. The Directors of the Company have made appropriate enquiries to satisfy themselves that the Group has suitable offers of finance in place from external lenders, and shareholder support for an extension of the Group's existing shareholder loan notes, as required. As with any company placing reliance on shareholder support, there can be no guarantee that this will continue. However, as at the date of signing these financial statements, the Directors of the Company have no reason to believe that this support to the Group will not be forthcoming if required. The Directors therefore have a reasonable expectation that the Company and Group have adequate resources to continue in operation for the foreseeable future and thus continue to adopt the going concern assumption in these financial statements.

Group companies have confirmed that any amounts due from Group undertakings will not be demanded within the next year.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

2 Accounting policies (continued)

Judgements

Goodwill is required to be assessed for impairment each year. The Directors form an opinion on whether the carrying amount of goodwill can be supported using various KPI's. Particular focus is given to the lessee's continued ability to meet its obligations in respect of lease payments.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The Company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that future economic benefits will flow to the entity; and
- specific criteria have been met for each of the Company's activities.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant & Equipment	straight line over 10 years

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

2 Accounting policies (continued)

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	straight line over the life of the lease

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Where the Company transfers substantially all the risks and rewards of ownership, the arrangement is classified as a finance lease and a receivable is recognised at an amount equal to the net investment in the lease. Recognition of finance income is based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Revenue

The analysis of the Company's revenue for the period from continuing operations is as follows:

	24 March 2015 to 31 December 2015 £ 000
Leasing of equipment	<u>1</u>

4 Operating loss

Arrived at after charging

	24 March 2015 to 31 December 2015 £ 000
Amortisation expense	<u>8</u>

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

5 Other interest receivable and similar income

	24 March 2015 to 31 December 2015 £ 000
Other finance income	<u>508</u>

Other finance income relates entirely to the finance lease described in note 17.

6 Interest payable and similar charges

	24 March 2015 to 31 December 2015 £ 000
Interest payable on loans from Group undertakings	<u>337</u>

7 Directors' remuneration

The Company had no employees other than Directors. The Directors received remuneration for services to Grove Limited of which Wadhurst Manor 2015 Limited is a subsidiary undertaking, however the proportion attributable to their services to Wadhurst Manor 2015 Limited is not separately identifiable.

8 Auditor's remuneration

The remuneration of the auditor in the current year was borne by another Group company. The estimate of this for the current year is £5,000.

9 Taxation

Tax charged in the income statement

	24 March 2015 to 31 December 2015 £ 000
Current taxation	
UK corporation tax	<u>28</u>

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK of 20.25%.

The differences are reconciled below:

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

9 Taxation (continued)

	24 March 2015 to 31 December 2015 £ 000
Profit before tax	164
Corporation tax at standard rate	33
Effect of expense not deductible in determining taxable profit (tax loss)	1
Tax increase (decrease) from transfer pricing adjustments	3
Other tax effects for reconciliation between accounting profit and tax expense (income)	(9)
Total tax charge	28

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. This will reduce the Company's future current tax charge accordingly.

10 Intangible assets

	Goodwill £ 000	Total £ 000
Cost or valuation		
At 24 March 2015	-	-
Acquired through business combinations (see note 12)	793	793
At 31 December 2015	793	793
Amortisation		
At 24 March 2015	-	-
Amortisation charge	7	7
At 31 December 2015	7	7
Carrying amount		
At 31 December 2015	786	786

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

11 Tangible assets

	Furniture, fittings and equipment £ 000	Total £ 000
Cost or valuation		
At 24 March 2015	-	-
Additions	<u>3</u>	<u>3</u>
At 31 December 2015	<u>3</u>	<u>3</u>
Depreciation		
At 24 March 2015	-	-
Charge for the period	<u>-</u>	<u>-</u>
At 31 December 2015	<u>-</u>	<u>-</u>
Carrying amount		
At 31 December 2015	<u><u>3</u></u>	<u><u>3</u></u>

12 Business combinations

On 15 September 2015, Wadhurst Manor 2015 Limited acquired the freehold of the property known as Wadhurst Manor, and as a consequence, assumed the role of lessor with reference to the existing long lease pertaining to the property.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	31 December 2015 £ 000
Assets and liabilities acquired	
Financial assets	9,787
Goodwill	<u>793</u>
Total consideration	<u><u>10,580</u></u>
Satisfied by:	
Cash	<u><u>10,580</u></u>

The useful life of goodwill is 31 years, being the term remaining on the existing lease as at the date of acquisition.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

13 Debtors

		31 December 2015
	Note	£ 000
Amounts owed by related parties		348
Finance lease receivables	17	<u>9,674</u>
		<u>10,022</u>

14 Creditors

		31 December 2015
	Note	£ 000
Due within one year		
Loans and borrowings	16	10,553
Amounts due to related parties		94
Income tax liability	9	<u>28</u>
		<u>10,675</u>

Amounts due to related parties represents loan interest due on 29 February 2016.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

15 Share capital

Allotted, called up and fully paid shares

	31 December 2015	
	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

New shares allotted

During the period 1 ordinary share having an aggregate nominal value of £1 was allotted for an aggregate consideration of £1.

16 Loans and borrowings

	31 December 2015 £ 000
Current loans and borrowings	
Other borrowings	<u>10,553</u>

The £10,553,000 loans and borrowings balance represents loan notes from Propco 2015 Limited which are secured over certain assets of the Company, subject to a fixed 10.8% per annum rate of interest and due for repayment in full on 11 August 2016.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

17 Obligations under leases and hire purchase contracts

Finance leases - lessor

The Company leases the freehold to the property known as Wadhurst Manor, to another Group company, Barchester Healthcare Homes Limited. The lease runs until 19 September 2046.

The amount of the net investment in a finance lease is determined as shown in the following table:

	31 December 2015 £ 000
Minimum lease payments	35,205
Gross investment	35,205
Unearned finance income	(25,531)
Net investment (present value of minimum lease payments)	9,674

The gross investment amount and the present value of payable minimum lease payments are shown in the following table:

	2015 £ 000	
	Gross investment in lease	Present value of minimum lease payments
Maturity		
Not later than one year	784	740
Later than one year and not later than five years	3,338	2,493
Later than five years	31,083	6,441
	<u>35,205</u>	<u>9,674</u>

Contingent rents recognised as income in the period are £Nil.

18 Dividends

The Directors are not proposing a final dividend.

19 Parent and ultimate parent undertaking

The Company's immediate parent is Propco 2015 Limited, incorporated in Jersey.

The ultimate parent and controlling party is Grove Limited, incorporated in Jersey. The most senior parent entity producing publicly available financial statements is also Grove Limited. Its financial statements are available upon request from www.jerseyfsc.org.

Wadhurst Manor 2015 Limited

Notes to the Financial Statements for the Period from 24 March 2015 to 31 December 2015 (continued)

19 Parent and ultimate parent undertaking (continued)

Relationship between entity and parents

The parent of both the smallest and the largest group in which these financial statements are consolidated is Grove Limited, incorporated in Jersey.

The address of Grove Limited is:

Queensway House

Hilgrove Street

St Helier

Jersey

JE1 1ES