



The Directors
Alverton Manor Limited
Trevanno Manor
Helston
Cornwall
TR13 0RU

5 December 2012



Dear Sirs,

Resignation as auditors

Further to our discussions and in accordance with Sections 516 and 519 of the Companies Act 2006 (the "Act") respectively, we enclose our letter of resignation and our statement of no circumstances connected with ceasing to hold office as auditors of Alverton Manor Limited (the "Company"). In addition, we would like to remind you of your reporting requirements under the Act

The Company's statutory obligations can be found in Sections 517 and 523 of the Act. The Company must file our notice of resignation with the Registrar of Companies within 14 days of the date we deposited it at your registered office¹. Unless we receive notice of an application to the court² within 21 days of the date on which our statement of no circumstances is deposited at your registered office (the "Date of Deposit") we must within a further 7 days send a copy of our statement of no circumstances to the Registrar of Companies.

The Act also obliges PricewaterhouseCoopers LLP ("PwC") and the Company³ separately to notify the "appropriate audit authority" of the fact that PwC, as auditor of the Company, is leaving office before the end of our "term of office"⁴ and the reasons for our ceasing to hold office. As the audit of the Company does not fall within the definition of a "major audit" under Section 525(2) of the Act and statutory guidance in relation to notifications by auditors and companies issued by the Professional Oversight Board ("POB") of the Financial Reporting Council⁵, the appropriate audit authority is the Institute of Chartered Accountants in England & Wales ("ICAEW"). The Company's notice to the ICAEW should be sent within 14 days of the Date of Deposit.

If you have any concerns as to how the Company and its directors should meet their obligations then we recommend that you seek legal advice.

¹ pursuant to Section 517(1) of the Act

² pursuant to Section 520(2) of the Act

³ pursuant to Section 523 of the Act

⁴ as defined in Section 487 of the Act

⁵ this guidance can be found on POB's website <http://www.frc.org.uk/pob/regulation/notification.cfm>

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We draw your attention to a briefing paper, '*When auditors leave office*', jointly produced by PwC and Herbert Smith solicitors, which provides more detailed consideration of our respective responsibilities. This briefing paper can be found on our website⁶

Yours faithfully

A handwritten signature in black ink, appearing to be 'P. J. Cooper'.

PricewaterhouseCoopers LLP

Enclosures:

Notice of resignation as auditors

Statement of Circumstances connected with our ceasing to hold office as Auditors

⁶ http://www.pwc.co.uk/pdf/when_auditors_leave_office.pdf?utr=1