

Keyworker Properties Limited

ANNUAL REPORT & FINANCIAL STATEMENTS

For the year ended 31 August 2017



Company registration number: 04213618

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DIRECTORS AND ADVISORS

For the year ended 31 August 2017

Directors

G N Day

C Fenton

Registered Office

4th Floor

100 Holdenhurst Road

Bournemouth

Dorset

BH8 8AQ

Independent Auditor

Deloitte LLP

Statutory Auditor

2 New Street Square

London

EC4A 3BZ

Bankers

HSBC Bank plc

70 Pall Mall

London

SW1Y 5EZ

DIRECTORS' REPORT

For the year ended 31 August 2017

The Directors of Keyworker Properties Limited (the Company) (registered number 04213618) present their Annual Report and audited financial statements for the year ended 31 August 2017. This Directors' Report has been prepared in accordance with the special provisions applicable to companies entitled to the small companies' exemption. Accordingly, the Company is not required to include a Strategic Report.

Principal activity

The Company acts as an intermediate holding company. The Company did not trade during the current or preceding year.

Results

The profit after taxation for the year amounted to £54,473 (2016: £36,958).

No dividend has been proposed or paid in either the current year or prior year.

Ownership

The Company is a wholly-owned subsidiary of McCarthy & Stone Retirement Lifestyles Limited. The ultimate parent company McCarthy & Stone plc produces consolidated financial statements and listed on the London Stock Exchange in November 2015. McCarthy & Stone plc and its subsidiaries are referred to as the Group.

There has been no change to the Company's issued share capital during the year.

Directors and Directors' interests

The Directors of the Company during the year and up to the date of signing were:

Name	Date of appointment
<i>Current Directors:</i>	
Gary Day	1 June 2012
Clive Fenton	17 February 2014

No Director has any interest in the shares of the Company. There have been no changes in the Directors' interests in the share capital of the Company since 31 August 2017.

Directors' insurance

The Group to which this Company belongs maintains Directors' and Officers' liability insurance for the Directors and Officers of all Group companies.

Directors' conflicts of interest

Each of the Directors has a duty under the Companies Act 2006 to avoid a situation where he has, or could have a direct or indirect interest that conflicts with the interests of the Company. The Company's Articles of Association contain provisions for dealing with conflicts or potential conflicts. The procedures for dealing with conflicts of interest have operated effectively during the year under review and the Directors have concluded that there were no conflicts of interest during the year.

Employees

During the current and preceding financial year the Company had no employees.

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 August 2017

Post balance sheet events

Post balance sheet events have been disclosed in note 11.

Future developments

The Company will continue to act as an intermediate holding company for the foreseeable future.

Director indemnities

As permitted by the Company's Articles of Association, qualifying third party indemnity provisions for the benefit of its Directors have been in place throughout the year under which the Company has agreed to indemnify the Directors, to the extent permitted by law and by the Articles, against all liability arising in respect of any act or omission in the course of performing their duties.

Going concern

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Through a combination of transactions with other Group entities and intra-group financing where appropriate, the Directors believe that the Company has sufficient resources to continue as a going concern. They have accordingly continued to adopt the going concern basis in preparing the financial statements.

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage, in respect of its separate financial statements, of the disclosure exemptions in FRS 102 paragraph 1.12. The Company's shareholder has been notified in writing about the intention to take advantage of the disclosure exemptions and no objections have been received.

The Company also intends to take advantage of these exemptions in the financial statements to be issued in the following year. Objections may be served on the Company by shareholder holding in aggregate 5 per cent or more of the total allocated shares in the Company. They should be served no later than 31 August 2018.

Statement of disclosure of information to the independent auditor

In the case of each of the persons who are Directors of the Company at the date when this report is approved:

- So far as each of the Directors are aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is unaware.
- Each of the Directors have taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

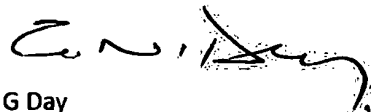
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte were reappointed as auditor at the Annual General Meeting on 24 January 2018..

DIRECTORS' REPORT (CONTINUED)

For the year ended 31 August 2017

The Directors' Report was approved by the Board of Directors and signed on its behalf by:



G Day
Director

9 February 2018

Keyworker Properties Limited
4th Floor
100 Holdenhurst Road
Bournemouth
Dorset
BH8 8AQ

DIRECTORS' RESPONSIBILITIES STATEMENT

For the year ended 31 August 2017

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 its profit or loss of the Company for that year.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEYWORKER PROPERTIES LIMITED

For the year ended 31 August 2017

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Keyworker Properties Limited (the 'Company') which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 11.

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEYWORKER PROPERTIES LIMITED (CONTINUED)

For the year ended 31 August 2017

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KEYWORKER PROPERTIES LIMITED

For the year ended 31 August 2017

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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.

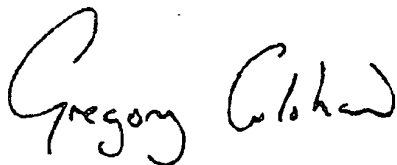
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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 in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.



Gregory Culshaw ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

9 February 2018

PROFIT AND LOSS ACCOUNT

For the year ended 31 August 2017

	Notes	2017 £	2016 £
Administrative expenses		(39)	(52)
Other operating income	3	54,500	37,000
Operating profit	3	54,461	36,948
Interest receivable and similar income		6	-
Profit before taxation		54,467	36,948
Taxation credit	4	6	10
Profit for the financial year		54,473	36,958

All of the figures above relate to continuing operations.

There were no gains or losses other than those stated in the Profit and Loss Account above. Accordingly no Statement of Comprehensive Income is given.

The notes on pages 13 to 17 form part of these financial statements.

BALANCE SHEET

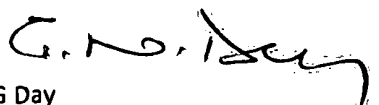
As at 31 August 2017

	Notes	2017 £	2016 £
Fixed assets			
Investments	5	2,000	2,000
Current assets			
Cash		4,903	437
Debtors: amounts due within one year	6	187,006	137,000
Total current assets		191,909	137,437
Creditors: amounts falling due within one year	7	(1,486)	(1,487)
Net current assets		190,423	135,950
Total assets less current liabilities; being net assets		192,423	137,950
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account		192,421	137,948
Shareholders' funds		192,423	137,950

The notes on pages 13 to 17 form part of these financial statements.

The financial statements were authorised for issue by the Board of Directors on 9 February 2018 and were signed on its behalf by:

Signed on its behalf by:



G Day
Director

Company registration number: 04213618

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 August 2017

	Notes	Share capital £	Profit and loss account £	Total £
Balance as at 1 September 2015	8	2	100,990	100,992
Profit for the year		-	36,958	36,958
Total comprehensive income for the year		-	36,958	36,958
Balance as at 31 August 2016	8	2	137,948	137,950
Profit for the year		-	54,473	54,473
Total comprehensive income for the year		-	54,473	54,473
Balance as at 31 August 2017	8	2	192,421	192,423

The notes on pages 13 to 17 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2017

1. Accounting policies

The following accounting policies have been used in dealing with items that are considered material in relation to the Company financial statements. They have been applied consistently throughout the current year and prior year.

Keyworker Properties Limited (the Company) is a private company limited by shares and registered in England and Wales under the Companies Act 2006. The address of the registered office is given on page 2.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Company is consolidated in the financial statements of its ultimate parent, McCarthy & Stone plc, which may be obtained at www.mccarthyandstonegroup.co.uk. Exemptions have been taken in these separate Company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The financial statements have been prepared on a going concern basis. For further details please refer to the Directors' Report on pages 3 to 5.

Investments

Investments are recorded at cost less any impairment. Provisions are made against carrying value when the Directors consider that there has been a permanent diminution in value.

The Company has a number of contractual arrangements with other parties which represent joint ventures. These take the form of agreement to share control over these entities. Joint ventures are accounted for using the equity method of accounting.

Corporation tax

Corporation tax comprises current tax. Current tax is based on taxable profits for the year. Tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise, income tax is recognised in the Profit and Loss Account.

2. Critical accounting judgements and estimation uncertainty

There are no specific critical judgements or key assumptions the Company makes about the future, or other major sources of estimation uncertainty at the end of the reporting period, that are deemed to have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities at the year end and within the next financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2017

3. Operating profit

a. Employees

During the current and preceding year the Company had no employees.

b. Auditor's remuneration

Remuneration of the auditor is settled by McCarthy & Stone (Developments) Limited on behalf of all companies within the McCarthy & Stone plc Group, and was not recharged in the prior year. The total Group audit fee was £0.2m (2016: £0.2m).

c. Directors' remuneration

There was no Directors' remuneration during the current or prior year. The Directors are paid by the other Group companies and the allocation to this company is £nil (2016: £nil).

d. Other operating income

	2017 £	2016 £
Dividends Received	54,500	37,000

4. Taxation credit

a. Analysis of tax credit for the year

	2017 £	2016 £
<i>Current tax:</i>		
UK corporation tax credit on profit for the year	(6)	(10)
Adjustment in respect of previous years	-	-
Tax credit on profit	(6)	(10)

b. Factors affecting tax credit for the current year

	2017 £	2016 £
Profit before tax	54,467	36,948
Anticipated tax charge based on profit before tax at 19.58% (2016: 20.00%)	10,665	7,390
<i>Effects of:</i>		
Income not taxable	(10,671)	(7,400)
Total tax credit for the year	(6)	(10)

The effective tax rate for the year was 19.58% following a reduction in the rate from 20% to 19% on 1 April 2017.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2017

5. Investments

Investments in Joint Ventures		£
<i>Cost and net book value:</i>		
At 1 September 2016		2,000
At 31 August 2017		2,000

Investments in joint ventures represent the following:

50% interest in the issued ordinary share capital of Kindle Housing Limited, a company registered in England and Wales. The principal activity of Kindle Housing Limited is property management. The registered office is Easterbrook Eaton Limited Chartered Accountants, Cosmopolitan House, Old Fore Street, Sidmouth, Devon, EX10 8LS. At 31 August 2017, Kindle Housing Ltd had total issued ordinary share capital of £1,000 (2016: £1,000), retained earnings of £14,573 (2016: £37,707), made a profit of £12,866 in the year ended 31 August 2017 (2016: £24,551) and paid a dividend of £36,000 (2016: £nil).

50% interest in the issued ordinary share capital of Kindle Housing (Worthing) Ltd, a company registered in England and Wales. The principal activity of Kindle Housing Limited is property management. The registered office is Easterbrook Eaton Limited Chartered Accountants, Cosmopolitan House, Old Fore Street, Sidmouth, Devon, EX10 8LS. At 31 August 2017, Kindle Housing (Worthing) Ltd had total issued ordinary share capital of £1,000 (2016: £1,000), retained earnings of £242,520 (2016: £232,418) and made a profit of £37,102 in the year ended 31 August 2017 (2016: £37,048) and paid a dividend of £27,000 (2016: £26,000).

50% interest in the issued ordinary share capital of Kindle Housing (Christchurch) Ltd, a company registered in England and Wales. The principal activity of Kindle Housing Limited is property management. The registered office is Easterbrook Eaton Limited Chartered Accountants, Cosmopolitan House, Old Fore Street, Sidmouth, Devon, EX10 8LS. At 31 August 2017, Kindle Housing (Christchurch) Ltd had total issued ordinary share capital of £1,000 (2016: £1,000), retained earnings of £205,075 (2016: £199,584) and made a profit of £33,491 in the year ended 31 August 2017 (2016: £33,463) and paid a dividend of £28,000 (2016: £25,000).

50% interest in the issued ordinary share capital of Kindle Housing (Exeter) Ltd, a company registered in England and Wales. The principal activity of Kindle Housing Limited is property management. The registered office is Easterbrook Eaton Limited Chartered Accountants, Cosmopolitan House, Old Fore Street, Sidmouth, Devon, EX10 8LS. At 31 August 2017, Kindle Housing (Exeter) Ltd had total issued ordinary share capital of £1,000 (2016: £1,000), retained earnings of £68,751 (2016: £60,683) and made a profit of £26,067 in the year ended 31 August 2017 (2016: £26,642) and paid a dividend of £18,000 (2016: £23,000).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2017

6. Debtors: amounts due within one year

	2017 £	2016 £
Amounts owed by Group undertakings	187,006	137,000
	187,006	137,000

Balances owed by Group undertakings are repayable on demand.

7. Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts owed to Group undertakings	1,486	1,487
	1,486	1,487

Balances owed to Group undertakings are repayable on demand.

8. Share capital

	Authorised No.	Authorised £	Allotted, called up & fully paid No.	Allotted, called up & fully paid £
Equity share capital				
Ordinary shares of £1 each				
As at 31 August 2016 & 31 August 2017	1,000	1,000	2	2

Each ordinary share carries equal voting, dividend and capital repayment rights.

The profit and loss account represents cumulative profit or losses net of any adjustments.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 August 2017

9. Related parties

The Company has taken advantage of the exemption available under FRS 102, section 33.1A, not to disclose transactions with wholly-owned members of the Group headed by McCarthy & Stone plc.

Dividends have been received from the Company's joint ventures, totalling £54,500 (2016: £37,000). Amounts owed to/from joint ventures as at the 31 August 2017 is £nil (2016: £nil).

10. Ultimate parent undertaking and controlling party

McCarthy & Stone plc, which is registered in England and Wales, is considered to be the Company's ultimate parent undertaking and controlling party.

The financial statements of McCarthy & Stone plc can be obtained from the registered office:

4th Floor
100 Holdenhurst Road
Bournemouth
Dorset
BH8 8AQ

The smallest and largest Group in which this Company's financial statements are consolidated is McCarthy & Stone plc.

11. Post balance sheet events

There were no events after the reporting period that required adjustment or disclosure in the financial statements.