

Registered number: 06538359

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**WORKINGTON (FURNESS) LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



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**WORKINGTON (FURNESS) LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

A J Brooks (resigned 14 February 2017)  
AJ Murray  
SP Game (appointed 14 February 2017)

**REGISTERED NUMBER**

06538359

**REGISTERED OFFICE**

Sycamore House  
Sutton Quays Business Park  
Sutton Weaver  
Runcorn  
Cheshire  
WA7 3EH

**INDEPENDENT AUDITOR**

Grant Thornton UK LLP  
Statutory Auditor & Chartered Accountants  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

**BANKERS**

Santander UK plc  
Bridle Road  
Bootle  
Merseyside  
L30 4GB

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**WORKINGTON (FURNESS) LIMITED**

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**WORKINGTON (FURNESS) LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their report and the financial statements for the year ended 31 December 2016.

**PRINCIPAL ACTIVITY**

The Company has constructed and is now leasing a care facility.

**DIRECTORS**

The directors who served during the year were:

A J Brooks (resigned 14 February 2017)  
AJ Murray

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**WORKINGTON (FURNESS) LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**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.

**AUDITOR**

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

**SMALL COMPANIES NOTE**

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 and signed on its behalf.

SP Game  
Director

Date:

  
24.09.2017

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## WORKINGTON (FURNESS) LIMITED

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORKINGTON (FURNESS) LIMITED

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We have audited the financial statements of Workington (Furness) Limited for the year ended 31 December 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and 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 Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit 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.

#### OPINION 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 those financial statements and the Directors' report has been prepared in accordance with applicable legal requirements.

#### MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of our 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.

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WORKINGTON (FURNESS) LIMITED

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORKINGTON (FURNESS) LIMITED  
(CONTINUED)

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

*Grant Thornton UK LLP*

Stuart Muskett (Senior statutory auditor)  
for and on behalf of  
**Grant Thornton UK LLP**  
Statutory Auditor  
Chartered Accountants  
Manchester

Date: *27 September 2017*

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WORKINGTON (FURNESS) LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016

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	Note	2016 £	2015 £
Turnover - continuing operations	3	280,808	192,318
<b>GROSS PROFIT</b>		<b>280,808</b>	<b>192,318</b>
Administrative expenses		(14,608)	(69,541)
Other operating income	4	559,658	-
<b>OPERATING PROFIT - continuing operations</b>	5	<b>825,858</b>	<b>122,777</b>
Interest receivable and similar income		132	95
Interest payable and similar expenses		(70,821)	(64,662)
<b>PROFIT BEFORE TAX</b>		<b>755,169</b>	<b>58,210</b>
Tax on profit	7	(134,987)	(8,405)
<b>PROFIT FOR THE YEAR</b>		<b>620,182</b>	<b>49,805</b>

There was no other comprehensive income for 2016 (2015:£NIL).

The notes on pages 8 to 17 form part of these financial statements.

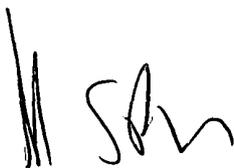
**WORKINGTON (FURNESS) LIMITED**  
**REGISTERED NUMBER: 06538359**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Note	2016 £	2016 £	2015 £	2015 £
<b>FIXED ASSETS</b>					
Investment property	8		<b>3,366,000</b>		<b>2,844,498</b>
			<u>3,366,000</u>		<u>2,844,498</u>
<b>CURRENT ASSETS</b>					
Debtors	9	<b>34,481</b>		<b>50,434</b>	
Cash at bank and in hand	10	<b>241,765</b>		<b>54,508</b>	
		<u>276,246</u>		<u>104,942</u>	
Creditors: amounts falling due within one year	11	<b>(1,127,999)</b>		<b>(3,074,829)</b>	
<b>NET CURRENT LIABILITIES</b>			<b>(851,753)</b>		<b>(2,969,887)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,514,247</u>		<u>(125,389)</u>
Creditors: amounts falling due after more than one year	12	<b>(1,926,454)</b>			-
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	15	<b>(111,000)</b>		<b>(18,000)</b>	
			<u>(111,000)</u>		<u>(18,000)</u>
<b>NET ASSETS/(LIABILITIES)</b>			<u>476,793</u>		<u>(143,389)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		<b>2</b>		<b>2</b>
Profit and loss account	17		<b>476,791</b>		<b>(143,391)</b>
			<u>476,793</u>		<u>(143,389)</u>

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

SP Game  
 Director



Date:

27.09.2017

The notes on pages 8 to 17 form part of these financial statements.

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WORKINGTON (FURNESS) LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	2	(143,391)	(143,389)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>			
Profit for the year	-	620,182	620,182
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	620,182	620,182
At 31 December 2016	2	476,791	476,793

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2015

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	2	(193,196)	(193,194)
<b>COMPREHENSIVE INCOME FOR THE YEAR</b>			
Profit for the year	-	49,805	49,805
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	-	49,805	49,805
At 31 December 2015	2	(143,391)	(143,389)

The notes on pages 8 to 17 form part of these financial statements.

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## WORKINGTON (FURNESS) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. ACCOUNTING POLICIES

##### 1.1 Statement of compliance

Workington (Furness) Limited is a limited liability company incorporated in England. Its Registered Office is Sycamore House, Sutton Quays Business Park, Sutton Weaver, Runcorn, Cheshire WA7 3EH.

The financial statements cover the individual entity, Workington (Furness) Limited, alone.

The financial statements are prepared in sterling (£), the functional currency of the Company.

##### 1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies 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 individual accounts of Workington (Furness) Limited have adopted the following disclosure exemptions:

- the requirement to present a statements of cash flows and related notes
- the requirement to disclose key management personnel.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### 1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Rental income is recognised in the period to which it relates.

##### 1.4 Investment property

Investment property is carried at fair value determined annually by a valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

##### 1.5 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.

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## WORKINGTON (FURNESS) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.6 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.

##### 1.7 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, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 balance sheet date.

##### 1.8 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.

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## WORKINGTON (FURNESS) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1. ACCOUNTING POLICIES (CONTINUED)

##### 1.9 Finance costs

Finance costs are charged to the 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.

##### 1.10 Interest income

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

##### 1.11 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

##### 1.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the 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 balance sheet 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 Balance sheet 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 balance sheet date.

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**WORKINGTON (FURNESS) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION  
UNCERTAINTY**

The Company carries its investment property at fair value, with changes in fair value being recognised in profit or loss. The investment property is valued annually using a valuation technique based on a yield methodology, but taking into account the specific nature of the property and accepting that each property is unique and value can only ultimately be reliably tested in the market itself. The determined fair value of the investment property is most sensitive to the estimated yield.

The United Kingdom referendum vote to leave the European Union naturally introduces new uncertainties into an already challenging marketplace. At the signing date the Company had reviewed the opportunities and risks this brings while reviewing the going concern assumption which is judged to be unaffected despite the uncertainty in the United Kingdom economy.

**3. TURNOVER**

All turnover arose from services within the United Kingdom.

**4. OTHER OPERATING INCOME**

	2016 £	2015 £
Gain on revaluation of investment property	559,658	-
	<u>559,658</u>	<u>-</u>

During the year the investment property has been revalued. This has resulted in a reversal of the previous impairment and a further increase in the fair value of the investment property - see note 8.

**5. OPERATING PROFIT**

The operating profit is stated after charging:

	2016 £	2015 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	1,360	430
	<u>1,360</u>	<u>430</u>

Fees paid to the Company's auditors for services other than the statutory audit of the Company are not disclosed since these are borne by the Company's parent, Seddon Group Limited (formerly Seddon Solutions Limited).

**6. EMPLOYEES**

The Company had no employees during the year (2015 - none) and none of the directors received any remuneration from this Company during the year (2015 - £nil).

**WORKINGTON (FURNESS) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**7. TAXATION**

	2016 £	2015 £
<b>CORPORATION TAX</b>		
Current tax on profits for the year	41,211	(13,532)
Adjustments in respect of previous periods	776	3,937
<b>TOTAL CURRENT TAX</b>	<b>41,987</b>	<b>(9,595)</b>
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	93,000	18,000
<b>TOTAL DEFERRED TAX</b>	<b>93,000</b>	<b>18,000</b>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>134,987</b>	<b>8,405</b>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	755,169	58,210
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	151,034	11,788
<b>EFFECTS OF:</b>		
Adjustments to tax charge in respect of prior periods	776	3,937
Additional deduction for land remediation expenditure	-	(2,866)
Adjustment for movement in deferred tax rate	(16,823)	(2,580)
Non-taxable income	(10,488)	(7,948)
Capital gains	10,488	6,074
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<b>134,987</b>	<b>8,405</b>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

Following the Summer Budget 2015 announcement, there will be a reduction in the main rate of corporation tax from 20% to 19% from 1 April 2017 and a further reduction to 17% from 1 April 2020.

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WORKINGTON (FURNESS) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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8. INVESTMENT PROPERTY

	Freehold investment property £
<b>VALUATION</b>	
At 1 January 2016	2,844,498
Additions at cost	(38,156)
Gain on revaluation	559,658
<b>At 31 December 2016</b>	<b>3,366,000</b>

The Company's investment property was valued as at 31 December 2016 at fair value by the Company's directors on the basis of information available to them.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2016 £	2015 £
Historic cost	3,031,342	3,069,498
Accumulated impairments	-	(225,000)
	<u>3,031,342</u>	<u>2,844,498</u>

9. DEBTORS

	2016 £	2015 £
Trade debtors	34,480	32,294
Amounts owed by related parties (see note 18)	1	1
Other debtors	-	17,764
Prepayments and accrued income	-	375
	<u>34,481</u>	<u>50,434</u>

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WORKINGTON (FURNESS) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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10. CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank and in hand	241,765	54,508
	<u>241,765</u>	<u>54,508</u>

11. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Bank loans	72,375	2,016,500
Amounts owed to related parties (see note 18)	980,286	1,017,861
Corporation tax	24,223	-
Other creditors	-	4,868
Accruals and deferred income	51,115	35,600
	<u>1,127,999</u>	<u>3,074,829</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

12. CREDITORS: Amounts falling due after more than one year

	2016 £	2015 £
Bank loans	1,926,454	-
	<u>1,926,454</u>	<u>-</u>

**Secured loans**

The bank loan is repayable over five years in quarterly payments with a final repayment due on 2 December 2020 of the remaining balance. Interest is payable over the remaining life of the loan at 2.75% over LIBOR. The loan is secured by a fixed and floating charge over the Company's freehold investment property which, at 31 December 2016, has a carrying value of £3,366,000 (2015: £2,844,498).

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WORKINGTON (FURNESS) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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13. LOANS

Analysis of the maturity of loans is given below:

	2016 £	2015 £
<b>AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank loans	72,375	2,016,500
	<u>72,375</u>	<u>2,016,500</u>
<b>AMOUNTS FALLING DUE 1-2 YEARS</b>		
Bank loans	75,368	-
	<u>75,368</u>	<u>-</u>
<b>AMOUNTS FALLING DUE 2-5 YEARS</b>		
Bank loans	1,851,086	-
	<u>1,851,086</u>	<u>-</u>
	<u>1,998,829</u>	<u>2,016,500</u>

14. FINANCIAL INSTRUMENTS

	2016 £	2015 £
<b>FINANCIAL ASSETS</b>		
Financial assets measured at amortised cost	276,246	86,803
	<u>276,246</u>	<u>86,803</u>
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	(3,030,230)	(3,074,829)
	<u>(3,030,230)</u>	<u>(3,074,829)</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and amounts owed by related parties.

Financial liabilities measured at amortised cost comprise bank loans, amounts owed to related parties and accruals and deferred income.

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WORKINGTON (FURNESS) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016

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15. DEFERRED TAXATION

	2016 £	2015 £
At beginning of year	(18,000)	-
Charged to the profit or loss	(93,000)	(18,000)
<b>At end of year</b>	<b>(111,000)</b>	<b>(18,000)</b>

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(54,000)	(30,000)
Tax losses carried forward	-	12,000
Deferred tax on revaluation of investment properties	(57,000)	-
	<b>(111,000)</b>	<b>(18,000)</b>

16. SHARE CAPITAL

	2016 £	2015 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
1 Ordinary A share of £1	1	1
1 Ordinary B share of £1	1	1
	<b>2</b>	<b>2</b>

The Ordinary A shares and Ordinary B shares rank parri passu in all respects.

17. RESERVES

**Profit and loss account**

Includes all current and prior period retained profits and losses.

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**WORKINGTON (FURNESS) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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**18. RELATED PARTY TRANSACTIONS**

The Company engaged Seddon Construction Limited to construct its investment property. Seddon Construction Limited is a fellow subsidiary of Seddon Group Limited (formerly Seddon Solutions Limited) with G&J Projects Limited, one of the Company's shareholders. The total paid to Seddon Construction Limited in 2016 was £nil (2015: £868,538). At the year end the Company owed £nil to Seddon Construction Limited (2015: £38,156).

At the year end the Company owed £581 (2015 - £nil) to Seddon Care Partnerships Limited, a fellow subsidiary of Seddon Group Limited (formerly Seddon Solutions Limited) with G&J Projects Limited, one of the Company's shareholders, in respect of a short term loan. The funds were repaid post year end.

At the year end the balance owed by H&SCP Gregory House Limited, a shareholder in the Company, was £1 (2015: £1) and the balance owed to G&J Projects Limited, the other shareholder, was £979,705 (2015: £979,705).

**19. CONTROLLING PARTY**

At 31 December 2016 the Company was jointly controlled by H&SCP Gregory House Limited and G&J Projects Limited, which each owned 50% of the issued share capital.

**20. POST BALANCE SHEET EVENTS**

On 14 February 2017 there was a change in control of the Company. H&SCP Gregory House Limited acquired 50% of the issued share capital of the Company, taking its ownership to 100%.