

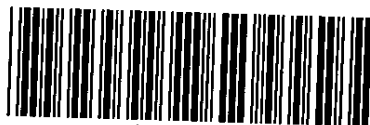
Registered number: 05358018

## Retirement Bridge Limited

### Directors' Report and Financial Statements

For the Year Ended 30 September 2019

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**Retirement Bridge Limited**

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**Company Information**

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<b>Directors</b>	Paul Barber Ashish Kashyap Antony L Pierce
<b>Registered number</b>	05358018
<b>Registered office</b>	Cross House Westgate Road Newcastle upon Tyne NE1 4XX
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountant & Statutory Auditors Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ
<b>Bankers</b>	Barclays Bank PLC 59 High Street Gosforth Newcastle upon Tyne NE3 4AA
<b>Solicitors</b>	Womble Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

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**Retirement Bridge Limited**

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## **Retirement Bridge Limited**

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### **Directors' Report For the Year Ended 30 September 2019**

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The directors present their report and the audited financial statements for the year ended 30 September 2019.

#### **Statement of directors' responsibilities in respect of the financial statements**

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102, 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 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 to 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.

#### **Principal activities**

The principal activity of the company during the year was investment in property investment companies.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £3,667,506 (2018 : £5,479,629).

During the year, the directors proposed an interim dividend of £3,100,000 (2018: £7,504,000). The directors do not recommend the payment of a final dividend.

#### **Directors**

The directors of the company who were in office during the year and up to the date of the financial statements were:

Paul Barber  
Ashish Kashyap  
Antony L Pierce

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**Retirement Bridge Limited**

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**Directors' Report (continued)  
For the Year Ended 30 September 2019**

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**Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

**Small company exemptions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *20<sup>th</sup> January 2020* and signed on its behalf.



**Anthony L Pierce**  
Director

Independent Auditors' Report to the Members of Retirement Bridge Limited

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## Report on the audit of the financial statements

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### Opinion

In our opinion, Retirement Bridge Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report") which comprise: the statement of financial position as at 30 September 2019; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the 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 the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 September 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

## Independent Auditors' Report to the Members of Retirement Bridge Limited

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

### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements as set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

#### *Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### **Companies Act 2006 exception reporting**

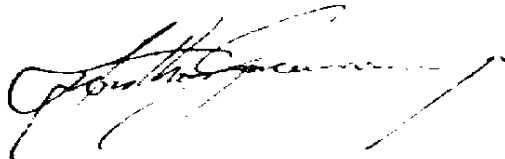
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior statutory auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants & Statutory Auditors  
Newcastle upon Tyne  
Date: 20 January 2020

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**Retirement Bridge Limited**

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**Statement of Comprehensive Income  
For the Year Ended 30 September 2019**

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	Note	2019 £	2018 £
Income from investments	5	2,600,000	4,957,000
Profit on disposal of investments	5	532,551	-
Interest receivable and similar income	6	660,472	645,221
Interest payable and similar expenses	7	(34)	-
<b>Profit before tax</b>		<b>3,792,989</b>	<b>5,602,221</b>
Tax on profit	8	(125,483)	(122,592)
<b>Profit for the financial year</b>		<b>3,667,506</b>	<b>5,479,629</b>

There was no other comprehensive income for 2019 (2018:£NIL).

The notes on pages 8 to 15 form part of these financial statements.



**Retirement Bridge Limited**  
Registered number: 05358018

**Statement of Financial Position**  
**As at 30 September 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Investments	10	24,283,018	26,281,018
		<u>24,283,018</u>	<u>26,281,018</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	33,848,725	31,183,343
		<u>33,848,725</u>	<u>31,183,343</u>
Creditors: amounts falling due within one year	12	(99,876)	-
<b>Net current assets</b>		<u>33,748,849</u>	<u>31,183,343</u>
<b>Total assets less current liabilities</b>		<u>58,031,867</u>	<u>57,464,361</u>
<b>Net assets</b>		<u>58,031,867</u>	<u>57,464,361</u>
<b>Capital and reserves</b>			
Called up share capital	13	56,940,893	56,940,893
Profit and loss account	14	1,090,974	523,468
<b>Total equity</b>		<u>58,031,867</u>	<u>57,464,361</u>

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

20th January 2020

  
Antony L Pierce  
Director

The notes on pages 8 to 15 form part of these financial statements.

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**Retirement Bridge Limited**

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**Statement of Changes in Equity  
For the Year Ended 30 September 2019**

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	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 October 2017</b>	<b>56,940,893</b>	<b>2,547,839</b>	<b>59,488,732</b>
Profit for the year	-	5,479,629	5,479,629
Dividends: Equity capital	-	(7,504,000)	(7,504,000)
<b>As at 30 September 2018 and 1 October 2018</b>	<b>56,940,893</b>	<b>523,468</b>	<b>57,464,361</b>
Profit for the year	-	3,667,506	3,667,506
Dividends: Equity capital	-	(3,100,000)	(3,100,000)
<b>At 30 September 2019</b>	<b>56,940,893</b>	<b>1,090,974</b>	<b>58,031,867</b>

**Notes to the Financial Statements  
For the Year Ended 30 September 2019**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Cross House, Westgate Road, Newcastle upon Tyne, NE1 4XX.

**2. Accounting policies**

**2.1 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 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 3).

The financial statements are prepared on the going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, which have been applied consistently throughout.

The company has taken advantage of the small companies' exemptions in preparing the directors' report and from preparing a strategic report.

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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- 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 11.41(b), 11.41(c), 11.41(e), 11.41(f), 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 Equity Release Investment Company 2 Limited as at 30 September 2019 and these financial statements may be obtained from Cross House, Westgate Road, Newcastle upon Tyne, NE1 4XX.

**2.3 Revenue recognition**

Turnover comprises management fees and sundry other income, exclusive of VAT. Such fees and income are recognised when they become receivable.

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## **Retirement Bridge Limited**

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### **Notes to the Financial Statements For the Year Ended 30 September 2019**

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#### **2. Accounting policies (continued)**

##### **2.4 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

##### **2.5 Group accounts**

The financial statements contain information about Retirement Bridge Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of the ultimate parent company, Retirement Bridge Investments Limited, a company registered in England and Wales.

##### **2.6 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.

#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements.

#### **4. Operating profit**

Audit fees are statutory audit fees only and are borne by another Group company.

None of the directors received any remuneration from the Company during the year, or in the previous year, in respect of their services to the Company. There are no other persons holding service contracts with the Company (2018: nil).

**Notes to the Financial Statements  
For the Year Ended 30 September 2019**

**5. Income from investments and profit on disposal of investments**

	2019 £	2018 £
<b>Income from investments</b>		
Dividends received from investments in subsidiaries	2,600,000	4,957,000
<b>Profit of disposal of investments</b>		
Profit on disposal of investments in subsidiaries	532,551	-

**6. Interest receivable and similar income**

	2019 £	2018 £
Interest receivable from group companies	660,472	645,221
	660,472	645,221

**7. Interest payable and similar expenses**

	2019 £	2018 £
Interest payable to group companies	34	-
	34	-

**8. Tax on profit**

	2019 £	2018 £
Group taxation relief	125,483	122,592
<b>Total current tax</b>	125,483	122,592

# Retirement Bridge Limited

## Notes to the Financial Statements For the Year Ended 30 September 2019

### 8. Tax on profit (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £	2018 £
Profit before tax	3,792,989	5,602,221
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	720,668	1,064,422
Effects of:		
Exempt ABGH distributions	(494,000)	(941,830)
Income not taxable for tax purposes	(101,185)	-
Group relief claimed	(125,483)	(122,592)
Payment for group relief	125,483	122,592
Total tax charge for the year	125,483	122,592

#### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

### 9. Dividends

	2019 £	2018 £
Equity dividends	3,100,000	7,504,000
	3,100,000	7,504,000

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**Retirement Bridge Limited**

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**Notes to the Financial Statements  
For the Year Ended 30 September 2019**

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**10. Investments**

	<b>Investments in subsidiaries £</b>
<b>Cost or valuation</b>	
At 1 October 2018	<b>30,281,004</b>
Additions	<b>2,000</b>
Disposals	<b>(2,000,000)</b>
At 30 September 2019	<b>28,283,004</b>
<b>Impairment</b>	
At 1 October 2018	<b>3,999,986</b>
At 30 September 2019	<b>3,999,986</b>
<b>Net book value</b>	
At 30 September 2019	<b>24,283,018</b>
At 30 September 2018	<b>26,281,018</b>

## Retirement Bridge Limited

### Notes to the Financial Statements For the Year Ended 30 September 2019

#### 10. Investments (continued)

##### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Equity Release (Increments) Limited	England and Wales	Property trading	Ordinary	100%
Retirement Bridge Management Limited @	England and Wales	Investment in property investment companies	Ordinary	100%
Retirement Bridge Housing Limited	England and Wales	Property trading	Ordinary	100%
EL Investments Limited	England and Wales	Property trading	Ordinary	100%
Equity Release Investment Properties Limited	England and Wales	Property trading	Ordinary	100%
The Capital Appreciation Trust (Isle of Man) Limited *	Isle of Man	Property trading	Preference	100%
Retirement Housing Management (Guernsey) Limited *	Guernsey	Property trading	Ordinary	100%
Homesafe Equity Release Limited Partnership #	England and Wales	Property trading	N/A	100%
Retirement Bridge Home Reversions Limited Partnership #	England and Wales	Property trading	N/A	100%
Retirement Housing Management (Isle of Man) Limited *	Isle of Man	Property trading	Ordinary	100%
The Capital Appreciation Trust Limited *	Guernsey	Property trading	Ordinary	100%
Retirement Housing No.1 (2007) Limited *	England and Wales	Property trading	Ordinary	100%
Milford Reversions Limited *	England and Wales	Property trading	Ordinary	100%
Economic Reversions Limited *	England and Wales	Property trading	Ordinary	100%
Elm Property Investment Limited Liability Partnership *	England and Wales	Property trading	Ordinary	100%
Elm Reversions Limited *	England and Wales	Property trading	Ordinary	100%
Equity Release (Increments) Nominees No.1 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No.2 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No.3 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No. 4 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No. 5 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No. 6 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No. 7 Ltd *	England and Wales	Dormant	Ordinary	100%



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**Retirement Bridge Limited**

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**Notes to the Financial Statements  
For the Year Ended 30 September 2019**

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**10. Investments (continued)****Subsidiary undertakings (continued)**

Name	Registered office	Principal activity	Class of shares	Holding
Equity Release (Increments) Nominees No. 8 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No. 9 Ltd *	England and Wales	Dormant	Ordinary	100%
Equity Release (Increments) Nominees No.10 Ltd *	England and Wales	Dormant	Ordinary	100%

\* Subsidiaries held partially or wholly indirectly.

@ The wholly owned subsidiary Retirement Bridge Management Limited was disposed of at fair value on 30 April 2019 to Retirement Bridge Investments Limited, the largest parent undertaking of the group. The profit on disposal of £532,551 is shown in the Statement of Comprehensive Income.

# On 7 May 2019, the company became the 50% General Partner of Homesafe Equity Release Limited Partnership for £1,000 and Retirement Bridge Home Reversions Limited Partnership for £1,000.

The registered office address of subsidiaries registered in England and Wales listed above is Cross House, Westgate Road, Newcastle upon Tyne, NE1 4XX.

The registered office address of subsidiaries registered in Guernsey is C/O Intertrust, Martello Court, Admiral Park, St Peter Port, Guernsey, GY1 3HB.

The registered office address of subsidiaries registered in Isle of Man is C/O FIM Capital, IOMA House, Hope St, Douglas, Isle of Man, IM1 1AP.

**11. Debtors: amounts falling due within one year**

	2019 £	2018 £
Amounts owed by group undertakings	33,848,725	31,183,343
	<u>33,848,725</u>	<u>31,183,343</u>

Amounts owed by group undertakings bore interest at 3.3% above LIBOR, are unsecured with no fixed date of repayment and are repayable on demand. Interest receivable for the year amounted to £660,472 (2018: £645,221).

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**Retirement Bridge Limited**

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**Notes to the Financial Statements  
For the Year Ended 30 September 2019**

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**12. Creditors: Amounts falling due within one year**

	2019 £	2018 £
Amounts owed to group undertakings	2,034	-
Corporation tax	97,842	-
	<u>99,876</u>	<u>-</u>

Amounts owed to group undertakings bore interest at 3.3% above LIBOR, are unsecured with no fixed date of repayment and are repayable on demand. Interest payable for the year amounted to £34 (2018: £nil).

**13. Called up share capital**

	2019 £	2018 £
Allotted, called up and fully paid		
56,940,893 Ordinary shares of £1.00 each	<u>56,940,893</u>	<u>56,940,893</u>

**14. Reserves****Profit and loss account**

This reserve records retained earnings and accumulated losses.

**15. Related party transactions**

The company is exempt from disclosing related party transactions as they are with other companies wholly owned within the Group.

**16. Controlling party**

Retirement Bridge Group Holdings Limited is the immediate controlling party and parent company by virtue of its 100% shareholding in the company.

Equity Release Investment Company 2 Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 30 September 2019. The consolidated financial statements of Equity Release Investment Company 2 Limited can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Retirement Bridge Investments Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2019. The consolidated financial statements of Retirement Bridge Investments Limited can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Patron Capital V L.P is deemed to be the ultimate controlling party by virtue of it's level of control over Retirement Bridge Investments Limited.

**REGISTERED NUMBER: LP010352**

**HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**  
**Annual Report and Financial Statements**  
**30th September 2019**

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# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Financial Statements**

**Year ended 30th September 2019**

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# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Designated Members and Professional Advisers**

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<b>Designated members</b>	Limited partner - Equity Release Investment Properties Limited General partner - Retirement Bridge Limited
<b>Registered office</b>	Cross House Westgate Road Newcastle upon Tyne NE1 4XX
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered accountants & statutory auditors Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ
<b>Bankers</b>	Barclays Bank PLC 59 High Street Gosforth Newcastle upon Tyne NE3 4AA
<b>Solicitors</b>	Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Members' Report**

**Year ended 30th September 2019**

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The members present their report and the audited financial statements of the limited partnership for the year ended 30th September 2019.

### **Principal activities**

The principal activity of the partnership during the year was property trading.

### **Results for the year and allocation to members.**

The profit for the year allocated to the partners was £246,764 (2018: £313,721).

### **Designated members**

The designated members who served during the year were as follows:

Limited partner – Equity Release Investment Properties Limited	
General partner – Retirement Bridge Management Limited	Resigned 7 May 2019
General partner – Retirement Bridge Limited	Appointed 7 May 2019

### **Policy regarding members' drawings and the subscription and repayment of amounts subscribed or otherwise contributed by members**

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members.

### **Partner information**

On 7 May 2019, Retirement Bridge Management Limited transferred its General Partner interests in the Limited Partnership to Retirement Bridge Limited for £1,000. Retirement Bridge Limited's investment in the Partners' capital totals £1,000. The General Partner is neither entitled to nor receives any remuneration or share of profits from the partnership other than a reimbursement of its expenses.

The Limited Partner is Equity Release Investment Properties Limited, whose investment in the partners' capital totals £9,050,000.

### **Statement of members' responsibilities in respect of the financial statements**

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, as applied to qualifying partnerships, the members 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 qualifying partnership and of the profit or loss of the qualifying partnership for that period.

# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Members' Report

Year ended 30th September 2019

---

In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 qualifying partnership will continue in business.

The members are also responsible for safeguarding the assets of the qualifying partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations.

### Members' confirmations

In the case of each member in office at the date the Members' Report is approved:

- so far as the member is aware, there is no relevant audit information of which the qualifying partnership's auditors are unaware, and
- they have taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the qualifying partnership's auditors are aware of that information.

### Small company exemptions

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 as applied to qualifying partnerships.

### Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as independent auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the members on 20<sup>th</sup> January 2020 and signed on behalf of the members by:

  
.....  
**Antony L. Pierce**  
For and on behalf of Retirement Bridge Limited

# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Independent Auditors' Report to the Members of Homesafe Equity Release Limited Partnership**

**Year ended 30th September 2019**

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### **Report on the audit of the financial statements**

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#### **Opinion**

In our opinion, Homesafe Equity Release Limited Partnership's financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 30 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 September 2019; the income statement, the reconciliation of members' interests for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership'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 the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the qualifying partnership's trade, customers, suppliers and the wider economy.

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#### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information.

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# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Independent Auditors' Report to the Members of Homesafe Equity Release Limited Partnership**

**Year ended 30th September 2019**

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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 based on these responsibilities.

With respect to the Members' report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Members' report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Members' report for the year ended 30 September 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Members' report.

### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the members for the financial statements*

As explained more fully in the Statement of members' responsibilities in respect of the financial statements as set out on pages 2 to 3, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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 members are responsible for assessing the qualifying partnership'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 members either intend to liquidate the qualifying partnership or to cease operations, or have no realistic alternative but to do so.

#### *Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinion, has been prepared for and only for the partners of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

### **Independent Auditors' Report to the Members of Homesafe Equity Release Limited Partnership**

**Year ended 30th September 2019**

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#### **Other required reporting**

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##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion:

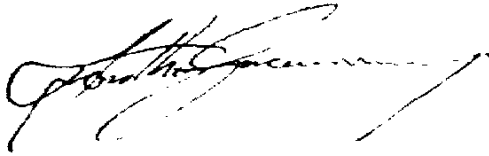
- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the qualifying partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

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##### **Entitlement to exemptions**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the members were not entitled to: take advantage of the small companies exemption in preparing the Members' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



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Jonathan Greenaway (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne

Date: 20 January 2020

# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Income Statement

Year ended 30th September 2019

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	Note	2019 £	2018 £
Turnover	4	114,871	234,952
Cost of sales		(66,363)	(88,284)
Gross profit		48,508	146,668
Administrative expenses		(615)	(1,567)
Operating profit	5	47,893	145,101
Other interest receivable and similar income	6	198,871	168,601
Other income		-	19
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		<u>246,764</u>	<u>313,721</u>

All the activities of the partnership are from continuing operations.

The partnership has no other recognised items of income and expenses other than the results for the year as set out above

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The notes on pages 11 to 14 form part of these financial statements.

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# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Statement of Financial Position

30th September 2019

	Note	2019 £	2018 £
<b>Current assets</b>			
Stocks	7	-	66,375
Debtors	8	9,051,050	8,996,770
		<u>9,051,050</u>	<u>9,063,145</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(50)</u>	<u>(12,145)</u>
<b>Net current assets</b>		<u>9,051,000</u>	<u>9,051,000</u>
<b>Total assets less current liabilities</b>		<u>9,051,000</u>	<u>9,051,000</u>
<b>Members' other interests</b>			
Members' capital classified as equity		<u>9,051,000</u>	<u>9,051,000</u>
<b>Total members' interests</b>			
Amounts due from members		(4,009,267)	(4,256,031)
Members' other interests		<u>9,051,000</u>	<u>9,051,000</u>
		<u>5,041,733</u>	<u>4,794,969</u>

These financial statements were approved by the members and authorised for issue on 20/01/20....., and are signed on their behalf by:



**Antony L Pierce**  
For and on behalf of Retirement Bridge Limited  
Registered number: LP010352

The notes on pages 11 to 14 form part of these financial statements.

# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Reconciliation of Members' Interests**

**Year ended 30th September 2019**

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity)	Other reserves	Total	Other amounts	Total 2019
	£	£	£	£	£
Balance at 1st October 2018	9,051,000	–	9,051,000	(4,256,031)	4,794,969
Profit for the financial year available for discretionary division among members	–	246,764	246,764	–	246,764
Members' interests after profit for the year	9,051,000	246,764	9,297,764	(4,256,031)	5,041,733
Other division of profits	–	(246,764)	(246,764)	246,764	–
<b>Balance at 30th September 2019</b>	<b>9,051,000</b>	<b>–</b>	<b>9,051,000</b>	<b>(4,009,267)</b>	<b>5,041,733</b>

The reconciliation of members' interests continues on the following page.  
The notes on pages 11 to 14 form part of these financial statements.

# **HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP**

## **Reconciliation of Members' Interests (continued)**

**Year ended 30th September 2019**

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total 2018
	Members' capital (classified as equity)	Other reserves	Total	Other amounts	Total
	£	£	£	£	£
Balance at 1st October 2017	9,051,000	-	9,051,000	(4,569,751)	4,481,249
Profit for the financial year available for discretionary division among members	-	313,720	313,720	-	313,720
Members' interests after profit for the year	9,051,000	313,720	9,364,720	(4,569,751)	4,794,969
Other division of profits	-	(313,720)	(313,720)	313,720	-
Balance at 30th September 2018	9,051,000	-	9,051,000	(4,256,031)	4,794,969

The notes on pages 11 to 14 form part of these financial statements.

# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Notes to the Financial Statements

Year ended 30th September 2019

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### 1. General information

The LP is registered in England and Wales. The address of the registered office is Cross House, Westgate Road, Newcastle upon Tyne, NE1 4XX.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### 3. Accounting policies

#### Basis of preparation

Under the Partnerships (Accounts) Regulations 2008, the partnership, as a qualifying partnership, is required to prepare and have audited an annual report and financial statements under Part 15 and Chapter 1 of Part 16 of the Companies Act 2006 as if the partnership was a company formed and registered under the Companies Act.

Under the Companies Act, the partners have the choice whether their financial statements are prepared under that applicable law and either UK Accounting Standards (UK Generally Accepted Accounting Practice) or International Financial Reporting Standards (IFRSs) as adopted by the EU. The partners have decided to apply UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The financial statements are prepared on the going concern basis in accordance with The Companies Act 2006 and applicable accounting standards in the United Kingdom, which have been applied consistently throughout the year.

The qualifying partnership has taken advantage of the small companies' exemptions in preparing the members' report and from preparing a strategic report.

#### Reduced disclosure exemptions

The partnership 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 the 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 paragraph 11.41(b), 11.41(c), 11.41(e), 11.41(f), 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 Equity Release Investment Company 2 Limited as at 30 September 2019 and these financial statements may be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Notes to the Financial Statements *(continued)*

Year ended 30th September 2019

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### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **Significant judgements**

In determining that the valuation of trading properties is not carried at more than their recoverable amount an external valuation has been applied.

There are no other areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements.

### **Revenue recognition**

Turnover comprises gross rental income, gross sales proceeds of trading properties, and sundry other income, exclusive of VAT. Sales of properties are only accounted for when the cash proceeds are received in full or the partnership has entered into a legally binding contract. Gross rentals are recognised on a straight line basis over the lease term on an accruals basis. Gross sales proceeds and sundry other income is recognised when it becomes receivable.

### **Stocks**

Trading properties are shown in the financial statements at the lower of cost and net realisable value. Cost includes legal and surveying charges incurred during the acquisition plus improvement costs. Net realisable value is the net sale proceeds which the company expects on sale of a property with vacant possession.

Repairs are expensed to the income statement as incurred. Improvement costs are capitalised.

### **Income tax**

No provision is made in the accounts of the partnership for tax liabilities (if any) arising on the partner's shares of net income. This is dealt with in the financial statements of the partners.

## **4. Turnover**

Turnover arises from:

	2019 £	2018 £
Proceeds from sale of trading properties	<u>114,871</u>	<u>234,952</u>

The whole of the turnover is attributable to the principal activity of the partnership wholly undertaken in the United Kingdom.

## **5. Operating profit**

Audit fees are statutory audit fees only and are borne by another Group company.

There are no persons, or members, holding service contracts with the partnership (2018: nil).



# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Notes to the Financial Statements *(continued)*

Year ended 30th September 2019

### 6. Other interest receivable and similar income

	2019 £	2018 £
Interest from group undertakings	<u>198,871</u>	<u>168,601</u>

### 7. Stocks

	2019 £	2018 £
Trading properties	<u>-</u>	<u>66,375</u>

The replacement value of stock (sale at market value of the property subject to occupation by a resident) is £nil (2018: £114,871) based on market value at 30 September 2019.

The members have reviewed the net realisable value of the properties. They have concluded that the net realisable value exceeds the book cost of the properties and therefore no provision against the carrying value of stock is required.

The stock expense to the cost of sales in the income statement amounted to £66,375 (2018: £82,680).

### 8. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	-	818
Amounts owed by group undertakings	<u>5,041,784</u>	<u>4,739,921</u>
Amounts due from members	<u>4,009,266</u>	<u>4,256,031</u>
	<u>9,051,050</u>	<u>8,996,770</u>

Amounts owed by group undertakings bore interest at 3.3% above LIBOR, are unsecured with no fixed date of repayment and are repayable on demand. Interest receivable for the year amounted to £198,871 (2018: £168,601).

### 9. Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	<u>50</u>	<u>12,145</u>
	<u>50</u>	<u>12,145</u>

# HOMESAFE EQUITY RELEASE LIMITED PARTNERSHIP

## Notes to the Financial Statements *(continued)*

Year ended 30th September 2019

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### 10. Related party transactions

The company is exempt from disclosing related party transactions as they are with companies that are wholly owned within the group.

### 11. Ultimate parent undertaking and controlling party

At the start of the year, Equity Release Investment Properties Limited and Retirement Bridge Management Limited owned 50% each of Homesafe Equity Release Limited Partnership and were therefore the immediate joint parents. On 7 May 2019 Retirement Bridge Management Limited transferred its General Partnership interests to Retirement Bridge Limited. From this date, Equity Release Investment Properties Limited and Retirement Bridge Limited became 50% immediate joint parents.

Equity Release Investment Company 2 Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 30 September 2019. The consolidated financial statements of Equity Release Investment Company 2 Limited can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Retirement Bridge Investments Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2019. The consolidated financial statements of Retirement Bridge Group Holdings Limited can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Patron Capital, V L.P is deemed to be the ultimate controlling party by virtue of its level of control over Retirement Bridge Investments Limited.

**REGISTERED NUMBER: LP011316**

**Retirement Bridge Home Reversions Limited Partnership**  
**Annual Report and Financial Statements**  
**30th September 2019**

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# **Retirement Bridge Home Reversions Limited Partnership**

## **Financial Statements**

**Year ended 30th September 2019**

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<i>Income statement</i>	<b>7</b>
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# **Retirement Bridge Home Reversions Limited Partnership**

## **Designated Members and Professional Advisers**

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<b>Designated members</b>	Limited partner - Equity Release Investment Properties Limited General partner - Retirement Bridge Limited
<b>Registered office</b>	Cross House Westgate Road Newcastle upon Tyne NE1 4XX
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered accountants & statutory auditors Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ
<b>Bankers</b>	Barclays Bank PLC 59 High Street Gosforth Newcastle upon Tyne NE3 4AA
<b>Solicitors</b>	Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

# **Retirement Bridge Home Reversions Limited Partnership**

## **Members' Report**

**Year ended 30th September 2019**

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*The members present their report and the audited financial statements of the limited partnership for the year ended 30th September 2019.*

### **Principal activities**

The principal activity of the partnership during the year was property trading.

### **Results for the year and allocation to members**

The profit for the year allocated to partners was £9,443 (2018: £18,380).

### **Designated members**

The designated members who served during the year were as follows:

Limited partner - Equity Release Investment Properties Limited	
General partner - Retirement Bridge Management Limited	Resigned 7 May 2019
General partner - Retirement Bridge Limited	Appointed 7 May 2019

On 7 May 2019, Retirement Bridge Management Limited transferred its General Partner interests in the Limited Partnership to Retirement Bridge Limited for £1,000. Retirement Bridge Limited's investment in the Partners' capital totals £1,000. The General Partner is neither entitled to nor receives any remuneration or share of profits from the partnership other than a reimbursement of its expenses.

The Limited Partner is Equity Release Investment Properties Limited, whose investment in the partners' capital totals £5,050,000.

### **Statement of members' responsibilities in respect of the financial statements**

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law, as applied to qualifying partnerships, the members 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 qualifying partnership and of the profit or loss of the qualifying partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 qualifying partnership will continue in business.

The members are also responsible for safeguarding the assets of the qualifying partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Retirement Bridge Home Reversions Limited Partnership**

## **Members' Report**

**Year ended 30th September 2019**

---

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the qualifying partnership's transactions and disclose with reasonable accuracy at any time the financial position of the qualifying partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to qualifying partnerships by the Regulations.

### **Member' confirmations**

In the case of each member in office at the date the Members' Report is approved:

- so far as the member is aware, there is no relevant audit information of which the qualifying partnership's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the qualifying partnership's auditors are aware of that information.

### **Small company exemptions**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

### **Independent auditors**

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the members on 20<sup>th</sup> January 2020 and signed on behalf of the members by:



Antony L Pierce

Signed on behalf of Retirement Bridge Limited

## **Retirement Bridge Home Reversions Limited Partnership**

### **Independent Auditors' Report to the Members of Retirement Bridge Home Reversions Limited Partnership**

**Year ended 30th September 2019**

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## **Report on the audit of the financial statements**

---

### **Opinion**

In our opinion, Retirement Bridge Home Reversions Limited Partnership's financial statements:

- give a true and fair view of the state of the qualifying partnership's affairs as at 30 September 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 30 September 2019; the income statement, the reconciliation of members' interests for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

---

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

ISAs (UK) require us to report to you when:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnership'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 the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the qualifying partnership's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the qualifying partnership's trade, customers, suppliers and wider economy.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there

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# **Retirement Bridge Home Reversions Limited Partnership**

## **Independent Auditors' Report to the Members of Retirement Bridge Home Reversions Limited Partnership**

**Year ended 30th September 2019**

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is a material misstatement of 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 based on these responsibilities.

With respect to the Members' Report, we also considered whether the disclosures required by the UK Companies Act 2006 as applied to qualifying partnerships have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

### *Members' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Members' Report for the year ended 30 September 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we did not identify any material misstatements in the Members' Report.

## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the members for the financial statements*

As explained more fully in the Statement of members' responsibilities in respect of the financial statements as set out on pages 2 to 3, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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 members are responsible for assessing the qualifying partnership'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 members either intend to liquidate the qualifying partnership or to cease operations, or have no realistic alternative but to do so.

### *Auditors' 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 auditors' 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinion, has been prepared for and only for the members of the qualifying partnership as a body in accordance with the Companies Act 2006 as applied to qualifying partnerships by the Partnerships (Accounts) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Retirement Bridge Home Reversions Limited Partnership**

### **Independent Auditors' Report to the Members of Retirement Bridge Home Reversions Limited Partnership**

**Year ended 30th September 2019**

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#### **Other required reporting**

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##### **Companies Act 2006 exception reporting**


Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the qualifying partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

*We have no exceptions to report arising from this responsibility.*

##### **Entitlement to exemptions**

Under the Companies Act 2006 as applied to qualifying partnerships we are required to report to you if, in our opinion, the members were not entitled to: take advantage of the small companies exemption in preparing the Members' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne

Date: 20 January 2020

# **Retirement Bridge Home Reversions Limited Partnership**

## **Income Statement**

**Year ended 30th September 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Turnover</b>	<b>3</b>	<b>381,606</b>	<b>61,640</b>
<b>Cost of sales</b>		<b>(293,868)</b>	<b>(30,999)</b>
<b>Gross profit</b>		<b>87,738</b>	<b>30,641</b>
<b>Administrative expenses</b>		<b>(16,309)</b>	<b>(12,465)</b>
<b>Operating profit</b>	<b>4</b>	<b>71,429</b>	<b>18,176</b>
<b>Other interest receivable and similar income</b>	<b>5</b>	<b>-</b>	<b>204</b>
<b>Interest payable and similar charges</b>	<b>6</b>	<b>(62,501)</b>	<b>-</b>
<b>Other income</b>		<b>515</b>	<b>-</b>
<b>Profit for the financial year before members' remuneration and profit shares available for discretionary division among members</b>		<b>9,443</b>	<b>18,380</b>

All the activities of the partnership are from continuing operations.

The partnership has no other recognised items of income and expenses other than the results for the year as set out above.

**The notes on pages 11 to 14 form part of these financial statements.**

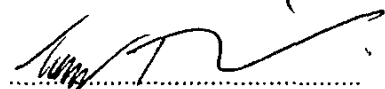
# Retirement Bridge Home Reversions Limited Partnership

## Statement of Financial Position

30th September 2019

	Note	2019 £	2018 £
<b>Current assets</b>			
Stocks	7	5,155,387	1,198,252
Debtors	8	3,798,253	3,852,796
		<u>8,953,640</u>	<u>5,051,048</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(3,902,640)</u>	<u>(48)</u>
<b>Net current assets</b>		<u>5,051,000</u>	<u>5,051,000</u>
<b>Total assets less current liabilities</b>		<u>5,051,000</u>	<u>5,051,000</u>
<b>Net assets</b>		<u>5,051,000</u>	<u>5,051,000</u>
<b>Members' other interests</b>			
Members' capital classified as equity		<u>5,051,000</u>	<u>5,051,000</u>
<b>Total members' interests</b>			
Amounts due from members		(3,798,228)	(3,807,671)
Members' other interests		<u>5,051,000</u>	<u>5,051,000</u>
		<u>1,252,772</u>	<u>1,243,329</u>

These financial statements were approved by the members and authorised for issue on 20/01/2020, and are signed on their behalf by:



Antony L Pierce  
Signed on behalf of Retirement Bridge Limited

Registered number: LP011316

The notes on pages 11 to 14 form part of these financial statements.

# **Retirement Bridge Home Reversions Limited Partnership**

## **Reconciliation of Members' Interests**

**Year ended 30th September 2019**

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests 2019 Total
	Members' capital (classified as equity)	Other reserves	Other amounts	Total	
	£	£	£	£	£
Balance at 1st October 2018	5,051,000	–	(3,807,671)	(3,807,671)	1,243,329
Profit for the financial year available for discretionary division among members	–	9,443	–	–	9,443
Members' interests after profit for the year	5,051,000	9,443	(3,807,671)	(3,807,671)	1,252,772
Other division of profits	–	(9,443)	9,443	9,443	–
<b>Balance at 30th September 2019</b>	<b>5,051,000</b>	<b>–</b>	<b>(3,798,228)</b>	<b>(3,798,228)</b>	<b>1,252,772</b>

The reconciliation of members' interests continues on the following page.  
The notes on pages 11 to 14 form part of these financial statements.

# **Retirement Bridge Home Reversions Limited Partnership**

## **Reconciliation of Members' Interests (continued)**

**Year ended 30th September 2019**

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total 2018 Total
	Members' capital (classified as equity)	Other reserves	Total	Other amounts	Total
	£	£	£	£	£
Balance at 1st October 2017	5,051,000	-	5,051,000	(3,826,051)	1,224,949
Profit for the financial year available for discretionary division among members	-	18,380	18,380	-	18,380
Members' interests after profit for the year	5,051,000	18,380	5,069,380	(3,826,051)	1,243,329
Other division of profits	-	(18,380)	(18,380)	18,380	-
<b>Balance at 30th September 2018</b>	<b>5,051,000</b>	<b>-</b>	<b>5,051,000</b>	<b>(3,807,671)</b>	<b>1,243,329</b>

The notes on pages 11 to 14 form part of these financial statements.

# **Retirement Bridge Home Reversions Limited Partnership**

## **Notes to the Financial Statements**

**Year ended 30th September 2019**

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### **1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

The entity is a limited partnership incorporated in England & Wales. The registered office is:

Cross House  
Westgate Road  
Newcastle upon Tyne  
NE1 4XX

### **2. Accounting policies**

#### **Basis of preparation**

Under the Partnerships (Accounts) Regulations 2008, the partnership, as a qualifying partnership, is required to prepare and have audited an annual report and financial statements under Part 15 and Chapter 1 of Part 16 of the Companies Act 2006 as if the partnership was a company formed and registered under the Companies Act.

Under the Companies Act, the partners have the choice whether their financial statements are prepared under that applicable law and either UK Accounting Standards (UK Generally Accepted Accounting Practice) or International Financial Reporting Standards (IFRSs) as adopted by the EU. The partners have decided to apply UK Generally Accepted Accounting Practice.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The financial statements are prepared on the going concern basis in accordance with The Companies Act 2006 and applicable accounting standards in the United Kingdom, which have been applied consistently throughout the year.

The qualifying partnership has taken advantage of the small companies' exemptions in preparing the members' report and from preparing a strategic report.

#### **Reduced disclosure exemptions**

The partnership 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 the 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 paragraph 11.41(b), 11.41(c), 11.41(e), 11.41(f), 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 Equity Release Investment Company 2 Limited as at 30 September 2019 and these financial statements may be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

# Retirement Bridge Home Reversions Limited Partnership

## Notes to the Financial Statements *(continued)*

**Year ended 30th September 2019**

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### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Significant judgements*

In determining that the value of trading properties are not carried at more than their recoverable amount an external valuation has been applied.

There are no other areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements.

### **Revenue recognition**

Turnover comprises gross sale proceeds of trading properties, exclusive of VAT. Sales of properties are only accounted for when the cash proceeds are received in full or the partnership has entered into a legally binding contract.

### **Stocks**

Trading properties are shown in the financial statements at the lower of cost and net realisable value. Cost includes legal and surveying charges incurred during the acquisition plus improvement costs. Net realisable value is the net sale proceeds which the partnership expects on sale of a property with vacant possession.

Repairs are expensed in the income statement as incurred. Improvement costs are capitalised.

### **Income tax**

No provision is made in the accounts of the partnership for tax liabilities (if any) arising on the partner's shares of net income. This is dealt with in the financial statements of the partners.

## **3. Turnover**

Turnover arises from:

	2019 £	2018 £
<i>Proceeds from sale of trading properties</i>	<u>381,606</u>	<u>61,640</u>

The whole of the turnover is attributable to the principal activity of the partnership wholly undertaken in the United Kingdom.

## **4. Operating profit**

Audit fees are statutory audit fees only and are borne by another Group company.

There are no persons, or members, holding service contracts with the partnership (2018: nil).



# Retirement Bridge Home Reversions Limited Partnership

## Notes to the Financial Statements *(continued)*

Year ended 30th September 2019

### 5. Other interest receivable and similar income

	2019 £	2018 £
Interest from group undertakings	-	204

### 6. Interest payable and similar charges

	2019 £	2018 £
Interest due to group undertakings	62,501	-

### 7. Stocks

	2019 £	2018 £
Trading properties	5,155,387	1,198,252

The replacement value of stock (sale at market value of the property subject to occupation by a resident) is £5,892,387 (2018: £1,719,248) based on market value at 30 September 2019, as assessed by external experts.

The members have reviewed the net realisable value of the properties. They have concluded that the net realisable value exceeds the book cost of the properties and therefore no provision against the carrying value of stock is required.

The stock expense charged during the year to cost of sales within the income statement was £289,031 (2018: £26,357).

### 8. Debtors

	2019 £	2018 £
Trade debtors	25	25
Amounts owed by group undertakings	-	45,100
Amounts due from members	3,798,228	3,807,671
	<u>3,798,253</u>	<u>3,852,796</u>

Amounts owed by group undertakings bore interest at 3.3% above LIBOR, are unsecured with no fixed date of repayment and are repayable on demand. Interest receivable for the year amounted to £nil (2018: £204).

# Retirement Bridge Home Reversions Limited Partnership

## Notes to the Financial Statements *(continued)*

Year ended 30th September 2019

### 9. Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	3,898,475	-
Other creditors	4,165	-
Accruals and deferred income	-	48
	<u>3,902,640</u>	<u>48</u>

### 10. Contingent liabilities

At 30 September 2019, the partnership, together with certain of its fellow group companies, has guaranteed loans of £74,476,270 (2018: £55,072,434) of certain fellow group companies by means of a legal charge over its assets and book debts. Details of the debt repayment profile are shown in the statutory financial statements of Retirement Bridge Investments Limited.

### 11. Related party transactions

The partnership is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the group.

### 12. Ultimate parent undertaking and controlling party

At the start of the year, Equity Release Investment Properties Limited and Retirement Bridge Management Limited owned 50% each of Retirement Bridge Home Reversions Limited Partnership and were therefore the immediate joint parents. On 7 May 2019 Retirement Bridge Management Limited transferred its General Partnership interests to Retirement Bridge Limited. From this date, Equity Release Investment Properties Limited and Retirement Bridge Limited became 50% immediate joint parents.

Equity Release Investment Company 2 Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 30 September 2019. The consolidated financial statements of Equity Release Investment Company 2 Limited can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Retirement Bridge Investments Limited is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2019. The consolidated financial statements of Retirement Bridge Investments Limited can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Patron Capital, V L.P is deemed to be the ultimate controlling party by virtue of its level of control over Retirement Bridge Investments Limited.