

COMPANY REGISTRATION NUMBER: 06352305

**RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY
GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED**

Financial Statements

30th September 2016

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RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Financial Statements

Year ended 30th September 2016

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RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Officers and Professional Advisers

The board of directors	Paul Barber Antony L Pierce
Registered office	Cross House Westgate Road Newcastle upon Tyne NE1 4XX
Auditor	PricewaterhouseCoopers LLP Chartered accountant & statutory auditor Central Square South Orchard Street Newcastle upon Tyne NE1 3AZ
Bankers	Barclays Bank PLC 59 High Street Gosforth Newcastle upon Tyne NE3 4AA
Solicitors	Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Directors' Report

Year ended 30th September 2016

The directors present their report and the financial statements of the company for the year ended 30th September 2016.

Principal activities

The principal activity of the company during the year was property investment. The directors do not recommend the payment of a dividend (2015: £Nil).

Directors

The directors who served the company during the year were as follows:

Paul Barber	
Antony L Pierce	(Appointed 4th July 2016)
Andrew R Cunningham	(Resigned 4th January 2016)
Nick P On	(Resigned 18th May 2016)
Nicholas M F Jopling	(Resigned 18th May 2016)
Mark Greenwood	(Resigned 22nd December 2015)

Dividends

The directors do not recommend the payment of a dividend.

Change in auditors

During the year KPMG LLP resigned as auditors to the company, and the directors have appointed PricewaterhouseCoopers LLP.

Change of name

The company changed its name from Grainger Retirement Housing No.1 (2007) Limited to Retirement Housing No.1 (2007) Limited effective from 20th May 2016.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Directors' Report *(continued)*

Year ended 30th September 2016

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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 16 May 2017 and signed on behalf of the board by:



Antony L Pierce
Director

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Independent Auditor's Report to the Members of Retirement Housing No.1 (2007) Limited (formerly Grainger Retirement Housing No.1 (2007) Limited)

Report on the financial statements

Our opinion

In our opinion, Retirement Housing No.1 (2007) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its loss for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Statement of Financial Position as at 30 September 2016;
- the Income Statement for the year then ended;
- the Statement of Changes in Equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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, 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Independent Auditor's Report to the Members of Retirement Housing No.1 (2007) Limited (formerly Grainger Retirement Housing No.1 (2007) Limited)

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.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

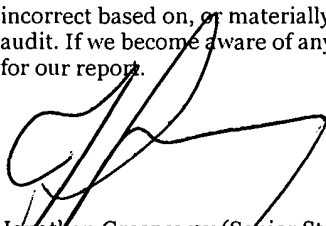
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
16 May 2017

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Income Statement

Year ended 30th September 2016

	Note	2016 £	2015 £
Turnover	4	11,731,344	1,546,686
Cost of sales		(10,665,832)	(199,097)
Gross profit		1,065,512	1,347,589
Administrative expenses		(157,924)	(26,143)
Other operating income	5	142	1,896,696
Operating profit	6	907,730	3,218,142
Interest payable and similar charges	7	(656,529)	(1,985,845)
Profit on ordinary activities before taxation		251,201	1,232,297
Tax on profit on ordinary activities	8	(1,105,900)	420,398
(Loss)/profit for the financial year		(854,699)	1,652,695

All the activities of the company are from continuing operations.

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

The notes on pages 9 to 18 form part of these financial statements.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Statement of Financial Position

30th September 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	9	–	36,700,391
Current assets			
Stocks	10	26,509,879	–
Debtors	11	2,379,976	969,283
		<u>28,894,804</u>	<u>969,283</u>
Creditors: amounts falling due within one year	12	<u>(51,461,178)</u>	<u>(59,381,350)</u>
Net current liabilities		<u>(22,566,375)</u>	<u>(58,412,067)</u>
Total assets less current liabilities		<u>(22,566,375)</u>	<u>(21,711,676)</u>
Net liabilities		<u>(22,566,375)</u>	<u>(21,711,676)</u>
Capital and reserves			
Called up share capital	14	1	1
Profit and loss account	15	<u>(22,566,376)</u>	<u>(21,711,677)</u>
Shareholders' deficit		<u>(22,566,375)</u>	<u>(21,711,676)</u>

These financial statements were approved by the board of directors and authorised for issue on 16 May 2017, and are signed on behalf of the board by:



Antony L Pierce
Director

Company registration number: 06352305

The notes on pages 9 to 18 form part of these financial statements.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Statement of Changes in Equity

Year ended 30th September 2016

	Called up share capital £	Profit and loss account £	Total £
At 1st October 2014	1	(23,364,372)	(23,364,371)
Profit for the year		1,652,695	1,652,695
Total comprehensive income for the year	-	1,652,695	1,652,695
At 30th September 2015	1	(21,711,677)	(21,711,676)
Loss for the year		(854,699)	(854,699)
Total comprehensive income for the year	-	(854,699)	(854,699)
At 30th September 2016	1	(22,566,376)	(22,566,375)

The notes on pages 9 to 18 form part of these financial statements.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements

Year ended 30th September 2016

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. 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 company incorporated in England and Wales. The registered office is:

Cross House
Westgate Road
Newcastle upon Tyne
NE1 4XX

3. Accounting policies

Basis of preparation

The financial statements have been under the historical cost convention, and in accordance with applicable UK accounting standards.

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

Going concern

Retirement Bridge Investments Limited (formerly Turbo Investments Limited) has confirmed to the directors of the company that it will provide such financial support, for at least 12 months from the signing of these accounts and thereafter for the foreseeable future, to allow the company to meet its liabilities as they become due.

Deferred life tenancies

Where the company grants a lifetime lease on an investment property and receives from the lessee an upfront payment in respect of the grant of the lease, the upfront payment is treated as deferred rent in the statement of financial position. This deferred rent is released to the income statement on a straight line basis over the projected term of the lease.

At each year end the projected term of the lease is revised on an actuarial basis and the remaining deferred rent is released to the income statement on a straight line basis over this revised lease term.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st October 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 19.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

3. Accounting policies *(continued)*

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Retirement Bridge Group Holdings Limited (formerly Turbo Group Holdings Limited) which can be obtained from Cross House, Westgate Road, Newcastle upon Tyne, NE1 4XX. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.

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.

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 rentals and sundry other income, exclusive of VAT. Gross rentals are recognised on a straight line basis over the lease term on an accruals basis. Sundry other income is recognised when it becomes receivable.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

4. Turnover

Turnover arises from:

	2016 £	2015 £
Rental income	8,663,044	1,546,686
Proceeds from trading properties	3,068,300	—
	<u>11,731,344</u>	<u>1,546,686</u>

Included within rental income is an amount of £8,653,188 of which relates to a deferred rent creditor.

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

5. Other operating income

	2016 £	2015 £
Revaluation of investment properties	—	1,896,696
Other operating income	142	—
	<u>142</u>	<u>1,896,696</u>

6. Operating profit

Operating profit or loss is stated after crediting:

	2016 £	2015 £
Loss on disposal of tangible assets	—	26,143
	<u>—</u>	<u>26,143</u>

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

There are no persons holding service contracts with the 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.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

7. Interest payable and similar charges

	2016 £	2015 £
Interest due to group undertakings	656,529	–
Other interest payable and similar charges	–	1,985,845
	<u>656,529</u>	<u>1,985,845</u>

8. Tax on profit on ordinary activities

Major components of tax expense/(income)

	2016 £	2015 £
Current tax:		
UK current tax expense/(income)	1,310,753	(420,398)
Deferred tax:		
Origination and reversal of timing differences	(204,853)	–
Tax on profit on ordinary activities	<u>1,105,900</u>	<u>(420,398)</u>

Reconciliation of tax expense/(income)

The tax assessed on the loss on ordinary activities for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20.50%).

	2016 £	2015 £
Profit on ordinary activities before taxation	226,453	1,232,297
Profit on ordinary activities by rate of tax	45,291	(136,202)
Adjustment to tax charge in respect of prior periods	(3,844,181)	–
Effect of expenses not deductible for tax purposes	2,083,701	–
Effect of revenue exempt from tax	(208,129)	–
Deferred tax not recognised	2,544,108	–
Payment for group relief	1,310,753	–
Accounting loss on disposal of fixed assets	–	5,359
Capital losses on disposal of fixed assets	–	(289,555)
Adjustment to closing deferred tax	485,110	–
Group relief	(1,310,753)	–
Tax on profit on ordinary activities	<u>1,105,900</u>	<u>(420,398)</u>

There is no unprovided deferred tax liability or unrecognised deferred tax asset in these financial statements.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

8. Tax on profit on ordinary activities *(continued)*

Factors that may affect future tax expense

No provisions have been made for the tax that would become payable if the company's properties were sold at their year end replacement values. The total unprovided tax in respect of this is £7,105 (2015: £nil).

There are no other factors that are expected to significantly affect the taxation charge in future years.

9. Tangible assets

	Investment properties £
Cost	
At 1st October 2015	36,700,391
Transfers	(36,700,391)
At 30th September 2016	<u>—</u>
Carrying amount	
At 30th September 2016	<u>—</u>
At 30th September 2015	<u>36,700,391</u>

As at the beginning of the reporting period, 1 October 2015, management made the decision to transfer all fixed assets to stock. This was to bring the accounting treatment of all trading properties in line with the rest of the Retirement Bridge Group Holdings Limited group. Trading properties are now shown at cost compared to fair value.

10. Stocks

	2016 £	2015 £
Trading properties	<u>26,509,879</u>	<u>—</u>

The replacement value of stock is £26,551,676 (2015: £nil) based on market value at 30 September 2016, as assessed by external experts.

Following the transfer of the properties from fixed assets, the book cost of the properties have been impaired by £41,496. This impairment has been charged to cost of sales. The carrying value is equal to the net realisable value at the year-end reporting date.

The stock expense to cost of sales in the income statement amounted to £692,840 (2015: £nil).

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

11. Debtors

	2016 £	2015 £
Trade debtors	44,125	40,150
Amounts owed by group undertakings	2,130,998	929,133
Deferred tax asset	204,853	—
	<u>2,379,976</u>	<u>969,283</u>

12. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	—	2,208
Amounts owed to group undertakings	51,457,016	50,800,487
Accruals and deferred income	4,163	—
Other creditors	—	8,578,655
	<u>51,461,179</u>	<u>59,381,350</u>

Included within amounts owed to group undertakings is an unsecured loan with a year end balance of £51,457,016 (2015: £50,800,487). The loan bears interest at LIBOR plus margin plus costs, which averaged 3.7% in the year (2015: 3.87%), and is repayable on demand but is not expected to be repaid within the next 12 months. Interest payable for the year amounted to £656,529 (2015: £1,985,845). All other amounts owed to group undertakings are unsecured, bear no interest, and are repayable on demand.

13. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016 £	2015 £
Included in debtors (note 11)	<u>204,853</u>	<u>—</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016 £	2015 £
Accelerated capital allowances	<u>(204,853)</u>	<u>—</u>

The net deferred tax asset expected to reverse in 2017 is £173,973. This primarily relates to the reversal of short term timing differences.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

14. Called up share capital

Issued, called up and fully paid

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

15. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Called up share capital - This represents the nominal values of the shares that have been issued.

16. Contingencies

At 30 September 2016, the company, together with certain of its fellow group companies, has guaranteed loans of £42,602,000 (2015: £nil) 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 (formerly Turbo Investments Limited).

17. Related party transactions

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

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

18. Ultimate parent undertaking and controlling party

Retirement Bridge Housing Limited (formerly Grainger Retirement Housing Limited) is the immediate parent company by virtue of its 100% shareholding in the company.

Up until 17th May 2016 the directors regarded Grainger plc, a company registered in England and Wales, as the ultimate parent undertaking, being the parent undertaking of the smallest and largest group to consolidate these financial statements. The financial statements of Grainger plc can be obtained from Citygate, St James Boulevard, Newcastle upon Tyne, NE1 4JE.

From 18th May 2016 Retirement Bridge Group Holdings Limited (formerly Turbo Group Holdings Limited) became the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 30 September 2016. The consolidated financial statements of Retirement Bridge Group Holdings Limited (formerly Turbo Group Holdings Limited) can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

From 18th May 2016 Retirement Bridge Investments Limited (formerly Turbo Investments Limited) became the parent undertaking of the largest group of undertakings to consolidate these financial statements at 30 September 2016. The consolidated financial statements of Retirement Bridge Investments Limited (formerly Turbo Investments Limited) can be obtained from Cross House, Westgate Road, Newcastle Upon Tyne, NE1 4XX.

Due to the joint ownership of Retirement Bridge Investments Limited (formerly Turbo Investments Limited), the directors consider there to be no ultimate controlling party.

Subsequent to the year end, on 19 April 2017, Patron Capital V.L.P acquired a further 50% shareholding in Retirement Bridge Investments Limited increasing its shareholding to 100%. From that date, Patron Capital, V L.P is deemed to be the ultimate controlling party.

19. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st October 2014.

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

19. Transition to FRS 102 *(continued)*

Reconciliation of equity

	1st October 2014			30th September 2015		
	As previously stated	Effect of transition	FRS 102 (as restated)	As previously stated	Effect of transition	FRS 102 (as restated)
	£	£	£	£	£	£
Fixed assets	38,042,095	–	38,042,095	36,700,391	–	36,700,391
Current assets	432,803	–	432,803	969,283	–	969,283
Creditors:						
amounts falling due within one year	(61,839,269)	–	(61,839,269)	(59,381,350)	–	(59,381,350)
Net current liabilities	(61,406,466)	–	(61,406,466)	(58,412,067)	–	(58,412,067)
Total assets less current liabilities	(23,364,371)	–	(23,364,371)	(21,711,676)	–	(21,711,676)
Net liabilities	(23,364,371)	–	(23,364,371)	(21,711,676)	–	(21,711,676)
Capital and reserves	(23,364,371)	–	(23,364,371)	(21,711,676)	–	(21,711,676)

Reconciliation of profit or loss for the year

	Year ended 30th September 2015		
	As previously stated	Effect of transition	FRS 102 (as restated)
	£	£	£
Turnover	1,546,686	–	1,546,686
Cost of sales	(199,097)	–	(199,097)
Gross profit	1,347,589	–	1,347,589
Administrative expenses	(26,143)	–	(26,143)
Other operating income	–	1,896,696	1,896,696
Operating profit	1,321,446	1,896,696	3,218,142
Interest payable and similar charges	(1,985,845)	–	(1,985,845)
Tax on profit on ordinary activities	420,398	–	420,398
(Loss)/profit for the financial year	(244,001)	1,896,696	1,652,695

RETIREMENT HOUSING NO.1 (2007) LIMITED (FORMERLY GRAINGER RETIREMENT HOUSING NO.1 (2007) LIMITED)

Notes to the Financial Statements *(continued)*

Year ended 30th September 2016

19. Transition to FRS 102 *(continued)*

On transition to FRS 102, the 2015 accounts figures have been adjusted so that the gain on investment property revaluation is taken directly to the income statement, as opposed to being held in a revaluation reserve on the balance sheet. As a result the opening profit and loss reserve for the group at the date of transition has increased by £13,190,427, whilst the revaluation reserve has decreased by a corresponding amount. Hence, this adjustment has not had an impact upon the net reserves figure at the date of transition.

Investment Properties

Under FRS 102, changes in the fair value of investment properties are recorded in profit and loss. Under previous UK GAAP these changes were recorded in the statement of Total Recognised Gains and Losses.