

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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<b>RETIREMENT BRIDGE INVESTMENTS LIMITED</b>
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**COMPANY INFORMATION**

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<b>Directors</b>	Ashish Kashyap Shane Edward Law Stephen J Groves Paul Barber Antony L Pierce
<b>Registered number</b>	09826520
<b>Registered office</b>	54 Portland Place London W1B 1DY
<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 5 St Ann's Street Quayside Newcastle upon Tyne NE1 3DX
<b>Solicitors</b>	Womble Bond Dickinson LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

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<b>RETIREMENT BRIDGE INVESTMENTS LIMITED</b>
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## RETIREMENT BRIDGE INVESTMENTS LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

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The directors present their strategic report for the year ended 30 September 2020.

#### Strategy and business model

The Retirement Bridge Group is the market leader in the home reversion segment of the equity release market. Our objective is to be a leader in the home reversions market, delivering sustainable long-term returns to our investors and our partners from a combination of sales, rents and fee income. We will achieve this by maintaining our leadership role within the industry, acquiring portfolios of similar products if they meet our target return thresholds, (subject to regulatory approval where applicable) optimising our financial gearing and managing the cost base.

Through our business model we deliver strong returns from our reversionary assets and our expertise allows us to supplement these returns by generating management fee income. Our expertise and the scale of our assets and operations enable us to generate sustainable income streams.

In recent months we have commenced an initiative to assist a lifetime mortgage provider manage the sale of complex properties in negative equity; identifying potential property related risks in LTM portfolios and actions to address these risks is an area of future growth for the group, sharing our experience gained from managing the sale of many hundreds of reversionary assets over the years.

#### Financial position

Reversionary Assets: we acquire tenanted properties at a discount to vacant possession value and sell them when they become vacant. We continue to seek acquisition opportunities for reversionary and other similar assets in the sector.

During the prior year the group was reorganised to separate the property owning and property management companies within the group. This was done to facilitate the utilisation of £74m debenture loans, secured against the property assets, from new funders. The group also negotiated a further drawn down of £25.8m debenture loans, secured against the property assets, from the group bankers.

Over the course of the year, the shareholders deficit has dropped to £33.8m from £29.8m. Given the group re-organisation and the level of new funding taken on in the prior year, and the current trading conditions resulting from the global pandemic, the directors are pleased with the group's position at the year end.

#### Sales

The majority of our recurring sales revenues and profit on sale comes from the sale of properties when they fall vacant thereby releasing the inherent reversionary surplus. In addition, when we decide that a particular property no longer offers attractive future growth we may sell these properties while occupied (tenanted sales). We also take advantage of opportunities for adding value by refurbishing a select number of properties before sale.

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**Business review**

The directors of Retirement Bridge Investments Limited manage the group's strategy and risks at a group level, rather than at an individual company level. Similarly, the financial and operational performance of the business is assessed at a business unit level. The directors of the group are satisfied with the results for the year ended 30 September 2020.

The group's directors believe that analysis using financial and non-financial measures is not necessary or appropriate to understand the business' development, performance or position.

Following the COVID-19 outbreak in December 2019, which resulted in a global pandemic, we remain cautious about the impact on the business. The nationwide 'lockdown' put in place by the UK government resulted in the initial closure of estate agencies and the suspension of all, but vacant, property moves which dramatically affected our property sales during April and May. The re-opening of estate agencies, relaxation of property moving restrictions, the impact of the new temporary stamp duty relief and pent up demand has since resulted in a marked increase in activity in the UK housing market. The sales performance of our pipeline properties has mirrored the broader market, with agreed sales well above pre-pandemic volumes during the months of June to September 2020.

**Principal risks and uncertainties**

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. The principal risks and uncertainties of the group, which are specific to the company, include:

- a deterioration and/or instability of wider Global/European economic markets leading to long-term flat or negative house price inflation, which in turn would impact the value of assets;
- a lack of availability of finance for the group to achieve its strategic objectives;
- a failure to meet current or increased legal or regulatory obligations;
- a failure to attract, retain and develop our people;
- a significant failure within or by a key third-party supplier or contractor;
- a global pandemic or local epidemic leading to an economic 'lockdown' affecting key third party suppliers and/or the UK housing market;
- a significant Health and Safety incident;
- the UK leaving the European Union may lead to a fall in the value of assets through unstable housing markets and may reduce availability of appropriately priced financing to implement the current strategies; and
- the economic impact from the end of the furlough scheme, combined with the end of the stamp duty relief on 30 March 2021, may lead to a short-term dip in sales transactions and property sales prices.

The directors meet regularly to review strategies and monitor available economic data.

The directors monitor progress by means of daily and weekly sales reports and monthly management reports from all areas of the business including operational sales, property management reports, monthly management accounts and risk and compliance reports. Budgets are prepared annually and forecasts reviewed regularly.

The directors are responsible for the development and maintenance of an appropriate system of internal controls and reviews its effectiveness. The review is ongoing but can only provide reasonable rather than absolute assurance, managing risk accordingly. Improvements in internal controls are incorporated into the group's policies and procedures manuals and are communicated to staff as they are identified and updated.

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## RETIREMENT BRIDGE INVESTMENTS LIMITED

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### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2020

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#### **Directors' statement of compliance with duty to promote the success of the Group**

The directors of the group, both individually and collectively, believe they have acted in good faith at all times during the year and are focused on promoting the success of the group for the benefit of all stakeholders. The directors consider the impact on the interests of the group stakeholders, while discharging all of their duties.

#### *Employees*

The directors are committed to promoting an engaged and healthy workforce, recognising the importance of both physical and mental wellbeing. We regularly engage with our team through weekly and monthly team meetings, employee engagement surveys and an open-door policy which promotes strong communication channels through the business.

The directors encourage progression in the business through appropriate training and development, including apprenticeships. All employees complete regular annual professional development in a variety of areas, such as Health and Safety, FCA regulation and General Data Protection Regulation.

Our most recent employee engagement survey was measured at 88%.

#### *Customers*

The team works tirelessly to ensure interactions with our customers are trusting, effective and considerate of the circumstances of each individual. Many of our customers are elderly, and potentially vulnerable, and therefore we take great care to ensure that they understand the terms of our agreements and are able to continue to provide the necessary documentation and are able to meet payment terms, where applicable. The directors commit to honouring these agreements and providing flexible payment terms, to ensure that our products are affordable for our valued customers.

#### *Suppliers*

The directors seek to ensure our suppliers align with our values and the high standards of conduct that we set ourselves. The directors commit to honouring agreements with suppliers, including paying to agreed terms. The directors value the loyalty and commitment of our strategic suppliers, especially in light of the current trading difficulties this year.

#### *Shareholders*

The directors ensure that they frequently engage with the ultimate parent undertaking, Patron Capital V LP, which promotes and maintains consistently high standards of communication and understanding. Monthly board meetings ensure that more formal matters are discussed in detail, and decisions surrounding strategy, operational performance, capital investments and financial structure are documented so decisions may be enacted quickly and reported to the wider stakeholders, as necessary.

#### *Regulators*

As lenders and administrators of home reversion products we are regulated by the Financial Conduct Authority (FCA). The directors are committed to ensuring full compliance with our sector regulations and reporting requirements.

#### *Community and environment*

The group takes its role within the community seriously and promotes and encourages community support and charity contributions. The employees choose a charity to support each year. The chosen charity for 2020 was Caring Hands, a charity that supports independence and quality of life for residents in the West End of Newcastle upon Tyne. The group also recognises the importance of its environmental responsibilities and has measures in place to monitor and control its impact on the local environment and its compliance with regulatory

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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environmental standards. See also the greenhouse gas emissions, energy consumption and energy efficiency action in the directors' report.

*Key decisions made in the year*

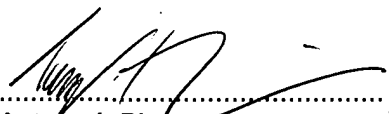
In August 2020 the annual budget for the year ended 30 September 2021 was approved, along with the forecast for the next three years following a comprehensive review of our strategic priorities and risks to the business.

No other significant decisions were made in the year.

**Future developments**

The directors expect the performance of the group to continue satisfactorily for the foreseeable future based on the positive news in respect of a COVID-19 vaccine, new origination opportunities in the pipeline and the resilience of the UK housing market.

This report was approved by the board on 12 March 2021 and signed on its behalf.

  
.....  
**Antony L Pierce**  
Director

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2020

The directors present their report and the audited consolidated financial statements for the year ended 30 September 2020.

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

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 the Group and of the profit or loss of the Group 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 FRS 102, 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Principal activities

The principal activity of the group during the year was that of property trading. The company is a holding investment company for the group.

### Results and dividends

The loss for the year, after taxation, amounted to £3,635k (2019 - £1,511k).

During the year, the directors proposed and paid an interim dividend of £nil (2019: £29,485k). 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 signing of the financial statements were:

Ashish Kashyap  
Shane Edward Law  
Stephen J Groves  
Paul Barber  
Antony L Pierce



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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**Principal risks and uncertainties**

The directors have disclosed information relating to principal risks and uncertainties in the strategic report but also note the following;

*Financial risk*

The activities of the group expose it to a number of financial risks including interest rate risk, and liquidity risk.

*Interest rate risk*

The group has interest bearing assets and liabilities. The majority of the liabilities attract fixed rates.

*Liquidity risk*

The funding needs of the business are reviewed in detail on a continuous basis as part of the internal planning and forecasting processes. The group maintains a combination of long term and short term debt facilities to ensure that sufficient funds are available for operations and planned investments.

**Greenhouse gas emissions, energy consumption and energy efficiency action**

The Group has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

**Matters covered in the strategic report**

The company has chosen to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch 7 to be contained in the directors report. This information relates to future developments and engagement with suppliers, customers and others which have been included in the strategic report in accordance with the Companies Act 2006 s.414C(11).

**Disclosure of information to auditors**

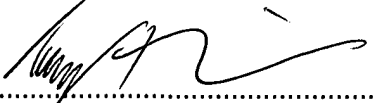
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group'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 and the Group's auditors are aware of that information.

**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 12 March 2021 and signed on its behalf.

  
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**Antony L Pierce**  
Director

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## RETIREMENT BRIDGE INVESTMENTS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETIREMENT BRIDGE INVESTMENTS LIMITED

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## Report on the audit of the financial statements

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### Opinion

In our opinion, Retirement Bridge Investments Limited's group financial statement and company financial statements ("the financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 30 September 2020 and of the group's loss and cash flows 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 Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Statements of Financial Position as at 30 September 2020; the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Cash Flows, and the Consolidated and Company Statements 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

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- 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 group's and 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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern.

### 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 Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RETIREMENT BRIDGE INVESTMENTS LIMITED**

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.

***Strategic Report and Directors' Report***

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 September 2020 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 group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and 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, 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 group's and 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 group or 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.

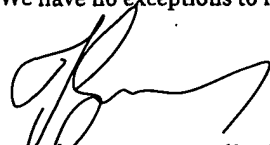
**Other required reporting**

**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 company financial statements are not in agreement with the accounting records and returns.

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: 12 March 2021

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Note	2020 £000	2019 £000
Turnover	4	44,012	48,950
Cost of sales		(28,254)	(31,802)
<b>Gross profit</b>		<b>15,758</b>	<b>17,148</b>
Administrative expenses		154	(1,316)
Other operating income	5	445	487
<b>Operating profit</b>	6	<b>16,357</b>	<b>16,319</b>
Amounts written off investments	11	-	847
Interest receivable and similar income	12	84	11
Interest payable and similar expenses	13	(21,230)	(16,789)
<b>(Loss)/profit before taxation</b>		<b>(4,789)</b>	<b>388</b>
Tax on (loss)/profit	14	1,154	1,123
<b>(Loss)/profit for the financial year</b>		<b>(3,635)</b>	<b>1,511</b>
<b>Other comprehensive expense</b>			
Cash flow hedge reserve		(389)	(333)
Termination of cash flow hedge		-	(397)
<b>Other comprehensive expense</b>		<b>(389)</b>	<b>(730)</b>
<b>Total comprehensive (expense)/income for the year</b>		<b>(4,024)</b>	<b>781</b>
<b>(Loss)/profit for the year attributable to:</b>			
Non-controlling interests		-	-
Owners of the parent Company		(3,635)	1,511
		<b>(3,635)</b>	<b>1,511</b>

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.


The notes on pages 16 to 33 form part of these financial statements.

**RETIREMENT BRIDGE INVESTMENTS LIMITED**  
**REGISTERED NUMBER: 09826520**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Intangible assets	16	(21,767)	(24,036)
Tangible assets	17	40	45
		<u>(21,727)</u>	<u>(23,991)</u>
<b>Current assets</b>			
Stocks	19	255,223	280,748
Debtors: amounts falling due within one year	20	5,431	4,663
Cash at bank and in hand	21	14,537	12,552
		<u>275,191</u>	<u>297,963</u>
Creditors: amounts falling due within one year	22	(21,265)	(24,584)
<b>Net current assets</b>		<u>253,926</u>	<u>273,379</u>
<b>Total assets less current liabilities</b>		<u>232,199</u>	<u>249,388</u>
Creditors: amounts falling due after more than one year	23	(265,977)	(279,142)
<b>Net liabilities</b>		<u>(33,778)</u>	<u>(29,754)</u>
<b>Capital and reserves</b>			
Called up share capital	26	760	760
Share premium account	27	8	8
Other reserves	27	(722)	(333)
Profit and loss account	27	(33,824)	(30,189)
<b>Total equity</b>		<u>(33,778)</u>	<u>(29,754)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 March 2021.

  
 .....  
**Antony L Pierce**  
 Director


The notes on pages 16 to 33 form part of these financial statements.

**RETIREMENT BRIDGE INVESTMENTS LIMITED**  
**REGISTERED NUMBER: 09826520**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2020**

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Investments	18	10,459	10,459
		<u>10,459</u>	<u>10,459</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	20	58,028	56,274
<b>Total assets less current liabilities</b>		<u>68,487</u>	<u>66,733</u>
<b>Net assets</b>		<u>68,487</u>	<u>66,733</u>
<b>Capital and reserves</b>			
Called up share capital	26	760	760
Share premium account	27	8	8
Profit and loss account brought forward		65,965	12,846
Profit for the year		1,754	83,205
Other changes in the profit and loss account		-	(30,086)
Profit and loss account carried forward		<u>67,719</u>	<u>65,965</u>
<b>Total equity</b>		<u>68,487</u>	<u>66,733</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 March 2021.

  
**Antony L Pierce**  
 Director

The notes on pages 16 to 33 form part of these financial statements.

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Total equity £000
<b>At 1 October 2018</b>	<b>980</b>	<b>-</b>	<b>397</b>	<b>(1,614)</b>	<b>(237)</b>
Profit for the financial year	-	-	-	1,511	1,511
Cash flow hedge reserve movement	-	-	(333)	-	(333)
Termination of cash flow hedge	-	-	(397)	-	(397)
Dividends: Equity capital	-	-	-	(29,485)	(29,485)
Bonus issue of shares	-	-	-	(601)	(601)
Shares issued during the year	601	8	-	-	609
Shares redeemed during the year	(220)	-	-	-	(220)
Shares cancelled during the year	(601)	-	-	-	(601)
<b>At 30 September 2019 and 1 October 2019</b>	<b>760</b>	<b>8</b>	<b>(333)</b>	<b>(30,189)</b>	<b>(29,754)</b>
Loss for the financial year	-	-	-	(3,635)	(3,635)
Cash flow hedge reserve movement	-	-	(389)	-	(389)
<b>At 30 September 2020</b>	<b>760</b>	<b>8</b>	<b>(722)</b>	<b>(33,824)</b>	<b>(33,778)</b>

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>At 1 October 2018</b>	<b>980</b>	<b>-</b>	<b>12,846</b>	<b>13,826</b>
Profit for the year	-	-	83,205	83,205
Dividends: Equity capital	-	-	(29,485)	(29,485)
Bonus issue of shares	-	-	(601)	(601)
Shares issued during the year	601	8	-	609
Shares redeemed during the year	(220)	-	-	(220)
Shares cancelled during the year	(601)	-	-	(601)
<b>At 30 September 2019 and at 1 October 2019</b>	<b>760</b>	<b>8</b>	<b>65,965</b>	<b>66,733</b>
Profit for the year	-	-	1,754	1,754
<b>At 30 September 2020</b>	<b>760</b>	<b>8</b>	<b>67,719</b>	<b>68,487</b>



**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	2020 £000	2019 £000
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(3,635)	1,511
<b>Adjustments for:</b>		
Amortisation of intangible assets	(2,269)	(2,497)
Depreciation of tangible assets	8	8
Interest paid	21,230	16,705
Interest received	(84)	(11)
Tax credit	(1,154)	(1,123)
Decrease in stocks	25,525	27,825
Increase in debtors	(19)	(3,978)
(Decrease)/increase in creditors	(677)	2,668
Net fair value gains recognised in P&L	-	(98)
Corporation tax paid	(758)	(2,163)
<b>Net cash generated from operating activities</b>	<b>38,167</b>	<b>38,847</b>
<b>Cash flows from investing activities</b>		
Disposal of intangible assets	-	390
Purchase of tangible fixed assets	(3)	(1)
Interest received	4	11
Gain on settlement of hedging instrument	-	98
<b>Net cash from investing activities</b>	<b>1</b>	<b>498</b>

<b>RETIREMENT BRIDGE INVESTMENTS LIMITED</b>
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**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	2020 £000	2019 £000
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	8
Purchase of ordinary shares	-	(821)
Purchase of debenture loans	-	99,811
Repayment of debenture loans	(33,263)	(31,419)
Loans from group companies repaid	-	(84,524)
Dividends paid	-	(29,485)
Interest paid	(2,920)	(2,462)
<b>Net cash used in financing activities</b>	<b>(36,183)</b>	<b>(48,892)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,985</b>	<b>(9,547)</b>
Cash and cash equivalents at beginning of year	12,552	22,099
<b>Cash and cash equivalents at the end of year</b>	<b>14,537</b>	<b>12,552</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	14,537	12,552
	<b>14,537</b>	<b>12,552</b>

The notes on pages 16 to 33 form part of these financial statements.

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**1. General information**

The company is a private company limited by shares, registered in England and Wales, United Kingdom. The address of the registered office is 54 Portland Place, London, W1B 1DY.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention unless otherwise specified within the 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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

**2.2 Going concern**

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.

**2.3 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 30 September 2016.

**2.4 Revenue recognition**

Turnover comprises gross rentals, gross sale proceeds of trading properties and land, and sundry other income, exclusive of VAT. Sales of properties are only accounted for when the cash proceeds are received in full or the company has entered into a legally binding contract. 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.

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**2. Accounting policies (continued)**

**2.5 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.

**2.6 Intangible assets**

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation of negative goodwill is released to the profit and loss account on the sale of the underlying assets.

**2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 5 to 10 years straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**2. Accounting policies (continued)**

**2.8 Fixed asset investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.9 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.

**2.10 Hedge accounting**

The Group uses variable to fixed interest rate swaps to manage its exposure to cash flow risk on its bank loans. These derivatives are measured at fair value at each balance sheet date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

**2.11 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.

**2.12 Pensions**

**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**3. Judgements 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.

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.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2020 £000	2019 £000
Rental income	570	556
Proceeds from sale of trading properties	43,442	48,394
	<u>44,012</u>	<u>48,950</u>

All turnover arose within the United Kingdom.

**5. Other operating income**

	2020 £000	2019 £000
Other operating income	34	43
Management fees receivable	411	346
Gain on settlement of hedging instrument	-	98
	<u>445</u>	<u>487</u>

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 6. Operating profit

The operating profit is stated after charging/(crediting):

	2020 £000	2019 £000
Depreciation of tangible fixed assets	8	8
Amortisation of intangible fixed assets, including goodwill	(2,269)	(2,497)
Defined contribution pension cost	83	75
Gain on settlement of hedging instrument	-	(98)
Operating lease rentals	52	49
	<u>52</u>	<u>49</u>

### 7. Auditors' remuneration

	2020 £000	2019 £000
Fees payable to the Group's auditors and its associates for the audit of the Group's annual financial statements	129	123
	<u>129</u>	<u>123</u>

#### Fees payable to the Group's auditors and its associates in respect of:

Other services relating to taxation	34	-
	<u>34</u>	<u>-</u>
	<u>34</u>	<u>-</u>

### 8. Employee costs

Staff costs, including directors' remuneration, were as follows:

	2020 £000	2019 £000
Wages and salaries	1,199	1,124
Social security costs	125	122
Staff pension costs	83	75
	<u>1,407</u>	<u>1,321</u>
	<u>1,407</u>	<u>1,321</u>

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 9. Employee numbers

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Management Staff	7	7
Directors	5	5
Finance and co-ordinating staff	14	14
	26	26
	26	26

### 10. Directors' remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2020 £000	2019 £000
Remuneration	295	321
Company contributions to defined contribution plans	64	23
	359	344
	359	344

At the year end, £1k (2019: £nil) was accruing to directors under defined contribution pension schemes.

The highest paid director received aggregate remuneration in respect of qualifying services of £227k (2019: £216k).

### 11. Amounts written off investments

	2020 £000	2019 £000
Impairment against goodwill on acquisition of subsidiaries	-	175
Profit on disposal of investments in subsidiaries	-	(1,022)
	-	(847)
	-	(847)



**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**12. Interest receivable and similar income**

	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
Other interest receivable	84	11
	<u>84</u>	<u>11</u>

**13. Interest payable and similar expenses**

	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
Interest on debentures and bank loans	21,230	16,705
Other interest payable	-	84
	<u>21,230</u>	<u>16,789</u>

**14. Tax on (loss)/profit**

	<b>2020</b> <b>£000</b>	<b>2019</b> <b>£000</b>
<b>Corporation tax</b>		
Current tax on profits for the year	-	1,235
Adjustments in respect of previous periods	(456)	804
<b>Total current tax</b>	<u>(456)</u>	<u>2,039</u>
<b>Deferred tax</b>		
Deferred tax	(698)	(3,162)
<b>Total deferred tax</b>	<u>(698)</u>	<u>(3,162)</u>
<b>Tax on (loss)/profit</b>	<u>(1,154)</u>	<u>(1,123)</u>

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 14. Tax on (loss)/profit (continued)

#### Factors affecting tax credit for the year

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £000	2019 £000
(Loss)/profit before tax	(4,789)	388
(Loss)/profit multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(910)	74
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,751	1,635
Income not taxable for tax purposes	(431)	(474)
Tax effect of losses carried back	23	-
Adjustments to corporation tax in respect of prior periods	(456)	804
Adjustments to deferred tax in respect of prior periods	429	-
Changes to tax rates affecting tax losses carried forward	(335)	-
Deferred tax not previously recognised on brought forward losses	(1,215)	(3,162)
Indexation allowances	(10)	-
<b>Total tax credit for the year</b>	<b>(1,154)</b>	<b>(1,123)</b>

#### Factors that may affect future tax charges

No provisions have been made for the tax that would become payable if the group's properties were sold at their year end replacement values. The total unprovided tax in respect of this is £28,681k (2019: £24,324k) There are no other factors that are expected to significantly affect the taxation charge in future years.

### 15. Dividends

	2020 £000	2019 £000
Equity dividends on ordinary shares	-	29,485
	-	29,485

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**16. Intangible assets**

**Group**

	Goodwill £000	Negative goodwill £000	Total £000
<b>Cost</b>			
At 1 October 2019	175	(33,537)	(33,362)
At 30 September 2020	175	(33,537)	(33,362)
<b>Amortisation</b>			
At 1 October 2019	175	(9,501)	(9,326)
Charge for the year on owned assets	-	(2,269)	(2,269)
At 30 September 2020	175	(11,770)	(11,595)
<b>Net book value</b>			
At 30 September 2020	-	(21,767)	(21,767)
At 30 September 2019	-	(24,036)	(24,036)

Intangible assets relate to goodwill and negative goodwill. Negative goodwill was capitalised on acquisition of the Retirement Solutions division of Grainger Plc and on acquisition of the New Sovereign Reversions Limited group in previous years.

Goodwill capitalised on the acquisition of Home and Capital Trust Limited and Retirement Bridge Group Limited on 30 April 2019 has been impaired in full.

The company has no intangible assets.

RETIREMENT BRIDGE INVESTMENTS LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**17. Tangible assets**

**Group**

	Office equipment £000
<b>Cost or valuation</b>	
At 1 October 2019	67
Additions	3
	70
At 30 September 2020	70
<b>Depreciation</b>	
At 1 October 2019	22
Charge for the year on owned assets	8
	30
At 30 September 2020	30
<b>Net book value</b>	
At 30 September 2020	40
<i>At 30 September 2019</i>	45

The company has no tangible fixed assets.

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**RETIREMENT BRIDGE INVESTMENTS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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**18. Investments****Company**

**Investments  
in  
subsidiary  
companies  
£000**

**Cost and net book value**

At 1 October 2019

**10,459**

At 30 September 2020

**10,459****Direct subsidiary undertakings**

The following were direct subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Retirement Bridge Group Limited	England and Wales	Ordinary	100%
Home and Capital Nominees Limited	England and Wales	Ordinary	100%
Retirement Bridge Management Limited	England and Wales	Ordinary	100%
Home and Capital Trust Limited	England and Wales	Ordinary	100%
Equity Release Investment Company Limited	England and Wales	Ordinary	100%

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 18. Investments (continued)

#### Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Home and Capital Trustee Company Limited	England and Wales	Ordinary	100%
Equity Release Investment Company 2 Limited	England and Wales	Ordinary	100%
Retirement Bridge Group Holdings Limited	England and Wales	Ordinary	100%
Retirement Bridge Limited	England and Wales	Ordinary	100%
Home Properties Limited	England and Wales	Preference	100%
Hamsard 2518 Limited	England and Wales	Ordinary	100%
Reversions Financing Limited	England and Wales	Ordinary	100%
Bridgewater Property Holdings Limited	England and Wales	Ordinary	100%
Reversions Financing (No.1) 2011 Limited	England and Wales	Ordinary	100%
Bridgewater Equity Release (No.2) Limited	England and Wales	Ordinary	100%
Hamsard 2342 Limited	England and Wales	Ordinary	100%
Bridgewater Equity Release Nominees (No.1) Limited	England and Wales	Ordinary	100%
Nitro 2 Limited	England and Wales	Ordinary	100%
Bridgewater Tenancies Nominees Limited	England and Wales	Ordinary	100%
Bridgewater (Home Reversions) Number 1 Limited	England and Wales	Ordinary	100%
Bridgewater Equity Release Limited	England and Wales	Ordinary	100%
Bridgewater (Home Reversions Number 2) Limited	England and Wales	Ordinary	100%
Bridgewater Tenancies Limited	England and Wales	Ordinary	100%
Hamsard 2492 Limited	England and Wales	Ordinary	100%
BPT (Full Reversions) Limited	England and Wales	Ordinary	100%
BPT Bridgewater (Home Reversions) Limited	England and Wales	Ordinary	100%
Hamsard 2517 Limited	England and Wales	Ordinary	100%
Hamsard 2517 (New Business) Limited	England and Wales	Ordinary	100%
EL Investments Limited	England and Wales	Ordinary	100%
Equity Release Investment Properties Limited	England and Wales	Ordinary	100%
Retirement Bridge Housing Limited	England and Wales	Ordinary	100%
Homesafe Equity Release LP *	England and Wales	N/A	100%
Retirement Bridge Home Reversions LP	England and Wales	N/A	100%
Equity Release (Increments) Limited	England and Wales	Ordinary	100%
Retirement Housing Management (Guernsey) Limited	Guernsey	Preference	100%
Retirement Housing No.1 (2007) Limited	England and Wales	Ordinary	100%
Bridgewater Lifetime Mortgages Limited	England and Wales	Ordinary	100%
Bridgewater Contractual Tenancies Limited	England and Wales	Ordinary	100%
Retirement Housing Management (Isle of Man) Limited	Isle of Man	Preference	100%
The Capital Appreciation Trust (Isle of Man) Limited	Isle of Man	Preference	100%
The Capital Appreciation Trust Limited	Guernsey	Preference	100%
Milford Reversions Limited	England and Wales	Ordinary	100%
Economic Reversions Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.1 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.2 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.3 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.4 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.5 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.6 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.7 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.8 Limited	England and Wales	Ordinary	100%

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 18. Investments (continued)

#### Indirect subsidiary undertakings (continued)

Name	Registered office	Class of shares	Holding
Equity Release (Increments) No.9 Limited	England and Wales	Ordinary	100%
Equity Release (Increments) No.10 Limited	England and Wales	Ordinary	100%
Elm Property Investments LLP	England and Wales	N/A	100%
Elm Reversions Limited	England and Wales	Ordinary	100%
New Sovereign Reversions Limited	England and Wales	Ordinary	100%
Sovereign Reversions Holdings Limited	England and Wales	Ordinary	100%
Sovereign Reversions Limited	England and Wales	Ordinary	100%
The Welfare Dwellings Trust Limited	England and Wales	Ordinary	100%
Sovereign Nominees Limited	England and Wales	Ordinary	100%
Sovereign Nominees No.2 Limited	England and Wales	Ordinary	100%
Reversionary Gains I Limited	Scotland	Ordinary	100%
Reversionary Gains II Limited *	Scotland	Ordinary	100%
The Home and Capital Trust Group Limited #	England and Wales	Ordinary	100%
Sovereign Retirement Capital Limited *	England and Wales	Ordinary	100%
Capital Reversions Limited *	England and Wales	Ordinary	100%

\* These indirectly owned subsidiary undertakings were dissolved in August and September 2020.

# This indirectly owned subsidiary undertaking was dissolved post year end on 20th October 2020.

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

The registered office of subsidiaries incorporated in Guernsey is C/O Lancaster Guernsey, 2nd Floor, West Wing, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 4LL.

The registered office of the subsidiaries incorporated in Isle of Man is C/O Turnstone Group, Dolberg House, 9 Athol Street, Douglas, Isle of Man, IM1 1LD.

The registered office of the subsidiaries incorporated in Scotland is C/O Pinsent Masons, 13 Queens Road, Aberdeen, AB15 4YL.

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**19. Stocks**

	<b>Group 2020 £000</b>	<i>Group 2019 £000</i>
Trading properties	255,223	280,748
	<u>255,223</u>	<u>280,748</u>

At the year end, the replacement value of stock as assessed by external valuers is £342,518k (2019: £350,991k).

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 £26,490k (2019: £29,838k).

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

	<b>Group 2020 £000</b>	<i>Group 2019 £000</i>	<b>Company 2020 £000</b>	<i>Company 2019 £000</i>
Trade debtors	977	915	-	-
Amounts owed by group undertakings	-	-	58,028	56,274
Other debtors	225	240	-	-
Deferred taxation	3,978	3,280	-	-
Tax recoverable	51	-	-	-
Prepayments and accrued income	200	228	-	-
	<u>5,431</u>	<u>4,663</u>	<u>58,028</u>	<u>56,274</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.

**21. Cash at bank and in hand**

	<b>Group 2020 £000</b>	<i>Group 2019 £000</i>
Cash at bank and in hand	14,537	12,552
	<u>14,537</u>	<u>12,552</u>



# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

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

	Group 2020 £000	Group 2019 £000
Debenture loans	14,679	16,078
Trade creditors	69	46
Corporation tax	-	1,243
Other taxation and social security	43	38
Other creditors	906	1,025
Accruals and deferred income	5,568	6,154
	<u>21,265</u>	<u>24,584</u>

Debenture loans are mainly fixed rate, are secured by specific assets held by the group's subsidiaries and bear interest at average rate of 6.99% (2019: 6.88%). There are four loans in place with repayments linked to the cash flows generated from the sale of the underlying assets.

### 23. Creditors: amounts falling due after more than one year

	Group 2020 £000	Group 2019 £000
Debentures loans	265,255	278,809
Financial instruments (after 1 yr)	722	333
	<u>265,977</u>	<u>279,142</u>

Debenture loans are mainly fixed rate, are secured by specific assets held by the group's subsidiaries and bear interest at average rate of 6.99% (2019: 6.88%). There are four loans in place with repayments linked to the cash flows generated from the sale of the underlying assets.

# RETIREMENT BRIDGE INVESTMENTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 24. Financial instruments

	<b>Group</b> <b>2020</b> <b>£000</b>	<i>Group</i> <i>2019</i> <i>£000</i>	<b>Company</b> <b>2020</b> <b>£000</b>	<i>Company</i> <i>2019</i> <i>£000</i>
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost	<b>1,202</b>	<i>1,155</i>	<b>58,028</b>	<i>56,274</i>
<b>Financial liabilities</b>				
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	<b>(722)</b>	<i>(333)</i>	-	<i>-</i>
Financial liabilities measured at amortised cost	<b>(280,909)</b>	<i>(295,958)</i>	-	<i>-</i>
	<b>(281,631)</b>	<i>(296,291)</i>	-	<i>-</i>

Financial assets that are debt instruments measured at amortised cost comprise of all other financial assets of the group.

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio comprise of an interest rate swap entered into on 25 June 2019 to receive interest at LIBOR and pay interest at a fixed rate. The interest rate swap was entered into to mitigate the cash flow risk of fluctuating interest rates. The swap was based on an initial principal amount of £59.2m and amortises in line with the expected debt profile over time, maturing on 25 June 2022.

Financial liabilities measured at amortised cost comprise of all other financial liabilities of the group.

**RETIREMENT BRIDGE INVESTMENTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**25. Deferred taxation**

**Group**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
At beginning of year	3,280	118
Credited to profit or loss	698	3,162
<b>At end of year</b>	<b>3,978</b>	<i>3,280</i>

The deferred tax asset is made up as follows:

	<b>Group</b>	<i>Group</i>
	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
Accelerated capital allowances	(7)	(7)
Tax losses carried forward	3,985	3,287
	<b>3,978</b>	<i>3,280</i>

The provision for deferred tax is mostly made up of unused tax losses. The company has tax losses of £20,939k (2019: £19,296k) arising in the United Kingdom that are available for offset against future taxable profits in the group.

**26. Called up share capital**

	<b>2020</b>	<i>2019</i>
	<b>£000</b>	<i>£000</i>
<b>Allotted, called up and fully paid</b>		
96,775,497 (2019 - 96,773,700) A shares of £0.007760 each	750.93	750.93
7,840 (2019 - 8,040) B shares of £0.001000 each	0.01	0.01
900,000 (2019 - 900,000) C1 shares of £0.000100 each	0.09	0.09
1,500,000 (2019 - 1,500,000) C2 shares of £0.000100 each	0.15	0.15
420,000 (2019 - 420,000) C3 shares of £0.000100 each	0.04	0.04
229,121 (2019 - 229,121) X shares of £0.038519 each	8.83	8.83
1 (2019 - 1) Y share of £1.000000	-	-
	<b>760.05</b>	<i>760.05</i>

All classes of shares have full voting rights attached to them, except for B shares which are non-voting. All classes of shares have capital distribution rights attached to them (including on winding up), as set out in the company's articles of association, and are not redeemable.

**NOTES TO THE FINANCIAL STATEMENTS  
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**27. Reserves**

**Share premium account**

Share premium account - this reserve records consideration paid for share capital over and above the par value of the share capital issued.

**Other reserves**

Cash flow hedge reserve - this reserve records the movement in the fair value of the hedging instrument.

**Profit and loss account**

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

**28. Contingent liabilities**

At 30 September 2020, the company guaranteed loans of £66,272k (2019: £68,071k) by means of a legal charge over its assets and book debts. At the same date, the group guaranteed loans of £282,364k (2019: £298,118k) by means of legal charges over the group's assets and book debts.

**29. Pension commitments**

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £83k (2019: £75k). Contributions totalling £2k (2019: £2k) were payable to the fund at the reporting date and are included in creditors due within one year.

**30. Related party transactions**

**Company**

The company has taken advantage under paragraph 33.1A of FRS 102, of not disclosing transactions with other group companies. There are no other transactions which are required to be disclosed under the terms of FRS 102.

**Group**

The directors believe that the Key Management Personnel of the Group are the same as the Directors. Remuneration (see note 10 for details of directors' remuneration).

The group has taken advantage under paragraph 33.1A of FRS 102, of not disclosing transactions with other group companies. There are no other transactions which are required to be disclosed under the terms of FRS 102.

**31. Controlling party**

Patron Capital V L.P is deemed to be the ultimate controlling party by virtue of its level of control over the company and group.