

REGISTERED NUMBER: 05090447

NORLIFE LIMITED
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016

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NORLIFE LIMITED (REGISTERED NUMBER: 05090447)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	3
Statement of Comprehensive Income	4
Balance Sheet	5
Statement of Changes in Equity	6
Notes to the Financial Statements	7
Reconciliation of Equity	18
Reconciliation of Loss or Profit	20

NORLIFE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2016

DIRECTORS:

D J Hudson
B J Jenkins
Lord Sawyer of Darlington
M W Grinonneau
A J Fowles

SECRETARY:

G M Gatty

REGISTERED OFFICE:

128 Buckingham Palace Road
London
SW1W 9SA

REGISTERED NUMBER:

05090447

AUDITORS:

Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property development and management.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2015 to the date of this report.

D J Hudson
B J Jenkins
Lord Sawyer of Darlington
M W Grinonneau
A J Fowles

Other changes in directors holding office are as follows:

S A Raper - resigned 14 October 2015
G M Spence - appointed 14 October 2015 - resigned 17 June 2016

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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


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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

ON BEHALF OF THE BOARD:


B J Jenkins, Director

Date: 

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
NORLIFE LIMITED**

We have audited the financial statements of Norlife Limited for the year ended 30 September 2016 on pages four to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. In addition, we read all the financial and non-financial information in the Report of the Directors 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.

Opinion on financial statements

In our opinion the financial statements:

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


Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Michael Wesley FCA (Senior Statutory Auditor)
for and on behalf of Wilkins Kennedy LLP
Statutory Auditor
Chartered Accountants
Bridge House
London Bridge
London
SE1 9QR

Date: 29/6/17

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Notes	2016 £	2015 £
TURNOVER		426,441	2,161,210
Cost of sales		<u>81,467</u>	<u>1,916,332</u>
GROSS PROFIT		344,974	244,878
Administrative expenses		<u>279,672</u>	<u>274,503</u>
OPERATING PROFIT/(LOSS)	4	65,302	(29,625)
Interest receivable and similar income		<u>269,187</u>	<u>142,489</u>
		334,489	112,864
Fair value movements on investments		<u>92,859</u>	<u>24,479</u>
		427,348	137,343
Interest payable and similar expenses		<u>163,569</u>	<u>154,059</u>
PROFIT/(LOSS) BEFORE TAXATION		263,779	(16,716)
Tax on profit/(loss)	5	<u>(19,000)</u>	<u>(63,000)</u>
PROFIT FOR THE FINANCIAL YEAR		282,779	46,284
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>282,779</u>	<u>46,284</u>

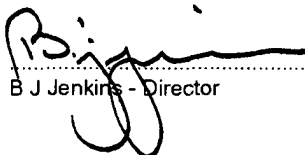
The notes form part of these financial statements

BALANCE SHEET
30 SEPTEMBER 2016

		2016	2015
	Notes	£	£
FIXED ASSETS			
Tangible assets	6	20,946	23,041
Investments	7	4,869,895	4,390,761
		<u>4,890,841</u>	<u>4,413,802</u>
CURRENT ASSETS			
Debtors	8	61,911	492,439
Cash at bank		180,315	94,003
		<u>242,226</u>	<u>586,442</u>
CREDITORS			
Amounts falling due within one year	9	897,052	1,411,721
NET CURRENT LIABILITIES		<u>(654,826)</u>	<u>(825,279)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,236,015</u>	<u>3,588,523</u>
CREDITORS			
Amounts falling due after more than one year	10	(1,360,324)	(976,611)
PROVISIONS FOR LIABILITIES	13	<u>(594,000)</u>	<u>(613,000)</u>
NET ASSETS		<u>2,281,691</u>	<u>1,998,912</u>
CAPITAL AND RESERVES			
Called up share capital	14	171,000	171,000
Fair value reserve	15	2,893,081	2,781,222
Retained earnings	15	(782,390)	(953,310)
SHAREHOLDERS' FUNDS		<u>2,281,691</u>	<u>1,998,912</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 20.3.17 and were signed on its behalf by:


 B J Jenkins - Director

The notes form part of these financial statements

NORLIFE LIMITED (REGISTERED NUMBER: 05090447)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 October 2014	171,000	(912,115)	2,693,743	1,952,628
Changes in equity				
Total comprehensive income	-	(41,195)	87,479	46,284
Balance at 30 September 2015	171,000	(953,310)	2,781,222	1,998,912
Changes in equity				
Total comprehensive income	-	170,920	111,859	282,779
Balance at 30 September 2016	171,000	(782,390)	2,893,081	2,281,691

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

1. COMPANY INFORMATION

Norlife Limited is a limited liability company registered in England and Wales. The registered office is 128 Buckingham Palace Road, London, SW1W 9SA.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements are presented in Sterling (£) which is also the functional currency of the company.

The company transitioned from previously extant UK GAAP to FRS 102 as at 1 October 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in pages 18-20.

Going Concern

After reviewing the company's forecasts and projections and taking into account the economic conditions and possible changes in trading performance, the directors have a reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Disclosure Exemptions

Exemption has been taken from preparing a cash flow statement on the grounds that the company is considered to be small under the provisions of the Companies Act 2006.

Preparation of consolidated financial statements

The financial statements contain information about Norlife Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken the option under Section 398 of the Companies Act 2006 not to prepare consolidated financial statements.

Turnover

Turnover represents management fees and recharged costs, excluding Value Added Tax.

Interest Income

Interest income is recognised using the effective interest method.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation has been computed to write off the cost of the property, plant and equipment over their useful expected lives using the following rates:

Land and buildings - 5% on cost

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

3. ACCOUNTING POLICIES - continued

Taxation

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using tax rates that have been enacted or substantively enacted by 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 only to the extent that it is probable that they will be recovered against future taxable profits or against the reversal of deferred tax liabilities.

Deferred tax relating to a non-depreciable asset that is measured using the revaluation model, or to investment properties measured at fair value, is measured using the tax rates and allowances that apply to the sale of the asset.

In a business combination, a deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of that difference. The amount that is attributable to goodwill is adjusted by the amount of the deferred tax recognised.

Deferred tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Fixed asset investments

Investments in shares in group undertakings are stated at directors' valuations based on the net present value of future returns using the industry average discounting factor of 7%, where future returns can be anticipated with certainty.

Loans provided to subsidiary companies included within fixed asset investments are stated at the aggregate of amounts issued, accrued interest receivable at the balance sheet date, less capital and interest payments received.

Other investments are stated at cost less any permanent diminution in value.

Trade and other debtors

Trade and other debtors are measured at transaction price less any impairment unless the arrangement constitutes a financing transaction in which case the transaction is measured at the present value of the future receipts discounted at the prevailing market rate of interest. Loans are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method less any impairment.

Derivative financial instruments

Derivative financial instruments are recognised at fair value using a valuation technique with any gains or losses being reported in the income statement.

Non basic financial instruments are recognised at fair value in the balance sheet under the appropriate heading and any fair value movements are recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

Trade and other creditors

Trade and other creditors are measured at their transaction price unless the arrangement constitutes a financing transaction in which case the transaction is measured at present value of future payments discounted at prevailing market rate of interest. Other financial liabilities are initially measured at fair value net of their transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

3. ACCOUNTING POLICIES - continued

Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at the present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation and useful economic lives

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing assets lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Bad Debt Provision

Bad debts are provided for specific debts when required, there is no estimation in use.

Valuation of investments in subsidiaries

Directors valuation based on the net present value of future returns using the industry average discounting factor of 7%, where future returns can be anticipated with certainty.

4. OPERATING PROFIT/(LOSS)

The operating profit (2015 - operating loss) is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	2,095	2,095
Auditors' remuneration	5,450	5,350

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

5. TAXATION

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	2016 £	2015 £
Deferred tax	(19,000)	(63,000)
Tax on profit/(loss)	(19,000)	(63,000)

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £	2015 £
Profit/(loss) before tax	263,779	(16,716)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20%)	52,756	(3,343)
Effects of:		
Expenses not deductible for tax purposes	185	74
Depreciation in excess of capital allowances	419	419
Utilisation of tax losses	(34,788)	-
Losses group relieved	-	7,746
Fair value adjustments	(18,572)	(4,896)
Movement on deferred taxation	(19,000)	(63,000)
Total tax credit	(19,000)	(63,000)

Deferred taxation

A potential deferred tax asset of £97,000 (2015: £132,000) has not been recognised due to uncertainty over the timing of the reversal which will be based on future trading profits.

6. TANGIBLE FIXED ASSETS

	Long leasehold £
COST	
At 1 October 2015 and 30 September 2016	41,895
DEPRECIATION	
At 1 October 2015	18,854
Charge for year	2,095
At 30 September 2016	20,949
NET BOOK VALUE	
At 30 September 2016	20,946
At 30 September 2015	23,041

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

7. FIXED ASSET INVESTMENTS

	2016 £	2015 £
Shares in group undertakings	3,493,282	3,400,422
Loans to group undertakings	1,376,613	990,339
	<u>4,869,895</u>	<u>4,390,761</u>

Additional information is as follows:

	Shares in group undertakings £
COST OR VALUATION	
At 1 October 2015	3,400,422
Additions	1
Fair value adjustments	92,859
At 30 September 2016	<u>3,493,282</u>
NET BOOK VALUE	
At 30 September 2016	<u>3,493,282</u>
At 30 September 2015	<u>3,400,422</u>

Cost or valuation at 30 September 2016 is represented by:

	Shares in group undertakings £
Valuation in 2016	3,487,081
Cost	6,201
	<u>3,493,282</u>

If fixed asset investments had not been revalued they would have been included at the following historical cost:

	2016 £	2015 £
Cost	<u>6,201</u>	<u>6,200</u>

Fixed asset investments were valued on a future cash flows basis on 30 September 2016 by the company's directors.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

7. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Norlife Fundco 1 Limited

Registered office:

Nature of business: Property development and management

	%
Class of shares:	holding
Ordinary	100.00

	2016	2015
	£	£
Aggregate capital and reserves	290,256	241,887
Profit for the year	<u>48,369</u>	<u>300,134</u>

Norlife Fundco 1 Limited is a Special Purpose Vehicle for a development under the Local Improvement Finance Trust and accordingly losses are expected in the early years of the contract.

Norlife (Swaffham HQ) Limited

Registered office:

Nature of business: Property development and management

	%
Class of shares:	holding
Ordinary	100.00

	2016	2015
	£	£
Aggregate capital and reserves	159,154	124,088
Profit for the year	<u>35,066</u>	<u>16,182</u>

Norlife (QEH) Limited

Registered office:

Nature of business: Property management

	%
Class of shares:	holding
Ordinary	100.00

	2016	2015
	£	£
Aggregate capital and reserves	4,977,696	4,820,388
Profit for the year	<u>177,308</u>	<u>1,937,831</u>

Norlife (QEH) Limited is the parent company for Norlife Services Limited. For the year ended 30 September 2016, Norlife Services Limited reported a profit of £296,782 (2015: £135,737) and net liabilities of £2,332,395 (2015: £2,629,177).

Norlife Capital Works Limited

Registered office:

Nature of business: Property consultancy services

	%
Class of shares:	holding
Ordinary	100.00

	2016
	£
Aggregate capital and reserves	2,086
Profit for the year	<u>2,085</u>

Norlife Capital Works Limited was incorporated on 3 March 2016.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

7. **FIXED ASSET INVESTMENTS - continued**

	Loans to group undertakings £
At 1 October 2015	990,339
Additions	400,000
Repayment in year	(13,726)
At 30 September 2016	<u>1,376,613</u>

8. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Trade debtors	175	407,415
Amounts owed by group undertakings	44,993	42,835
Other debtors	9	9
VAT	16,734	42,180
	<u>61,911</u>	<u>492,439</u>

An impairment loss of £nil (2015: £nil) was recognised against trade debtors.

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016 £	2015 £
Other loans (see note 11)	16,290	13,728
Trade creditors	4,875	186,214
Amounts owed to group undertakings	859,559	942,811
Other creditors	7,428	31,213
Accruals and deferred income	8,900	237,755
	<u>897,052</u>	<u>1,411,721</u>

10. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2016 £	2015 £
Other loans (see note 11)	<u>1,360,324</u>	<u>976,611</u>

Amounts falling due in more than five years:

Repayable by instalments		
Subordinated debt due after five years	<u>865,313</u>	<u>893,911</u>

Other creditors are subordinated debts, due to the shareholders. The subordinated debts, bear interest at a rate of 14% per annum and the loans are repaid on a six monthly basis.

The subordinated debt totalling £400,000 due within two to five years, bears interest at a rate of 12% per annum and the loan is repayable in full, five years from issue.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

11. LOANS

An analysis of the maturity of loans is given below:

	2016	2015
	£	£
Amounts falling due within one year or on demand:		
Subordinated debt	<u>16,290</u>	<u>13,728</u>
Amounts falling due between one and two years:		
Subordinated debt due between one and two years	<u>19,012</u>	<u>16,290</u>
Amounts falling due between two and five years:		
Subordinated debt due between two and five years	<u>475,999</u>	<u>66,410</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Subordinated debt due after five years	<u>865,313</u>	<u>893,911</u>

12. FINANCIAL INSTRUMENTS

The company's financial instruments may be analysed as follows:

	2016	2015
	£	£
Financial assets		
Financial assets measured at amortised cost	<u>61,902</u>	<u>492,430</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>2,231,546</u>	<u>2,150,577</u>

Financial assets measured at amortised costs comprise trade debtors, other debtors and amounts owed from group undertakings.

Financial liabilities measured at amortised cost comprise other loans, bank loans and overdrafts, trade creditors, other creditors and amounts owed to group undertakings.

13. PROVISIONS FOR LIABILITIES

	2016	2015
	£	£
Deferred tax	<u>594,000</u>	<u>613,000</u>
		Deferred tax
		£
Balance at 1 October 2015		613,000
Charge to profit and loss		<u>(19,000)</u>
Balance at 30 September 2016		<u>594,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2016	2015
Number:	Class:		£	£
34,200	Ordinary A	£1	34,200	34,200
34,200	Ordinary B	£1	34,200	34,200
			<u>68,400</u>	<u>68,400</u>
Allotted and issued:		Nominal value:	2016	2015
Number:	Class:		£	£
102,600	Ordinary C	£1	<u>102,600</u>	<u>102,600</u>

Called up share capital - this represents the nominal value of shares that have been issued.

Ordinary A, Ordinary B and Ordinary C shares rank pari passu in all respects.

15. RESERVES

	Retained earnings £	Fair value reserve £	Totals £
At 1 October 2015	(953,310)	2,781,222	1,827,912
Profit for the year	282,779		282,779
Fair value transfer	(111,859)	111,859	-
At 30 September 2016	<u>(782,390)</u>	<u>2,893,081</u>	<u>2,110,691</u>

Retained earnings - included all current and prior period retained profits and losses.

Fair value reserve - included all fair value adjustments in respect of subsidiary holdings and associated movements on deferred tax.

16. **RELATED PARTY DISCLOSURES**

Norlife Fundco 1 Limited

During the year the company invoiced site management and administration fees of £149,045 (2015: £267,422) to Norlife Fundco 1 Limited, a subsidiary company. At the balance sheet date the company owed £254,051 (2015: £290,688) to Norlife Fundco 1 Limited, on which interest of £nil (2015: £11,570) was paid during the year. During the year the company received interest of £138,583 (2015: £142,489) from Norlife Fundco 1 Limited on the loan notes. At the year end the balance of loan notes outstanding was £276,612 (2015: £990,339).

Norlife (Swaffham HQ) Limited

At the balance sheet date the company was owed £44,923 (2015: £42,735) by Norlife (Swaffham HQ) Limited, a subsidiary company.

Norlife (QEH) Limited

During the year the company invoiced site management and administration fees of £10,084 (2015: £10,000) to Norlife (QEH) Limited, a subsidiary company. At the balance sheet date, the company owed Norlife (QEH) Limited £476,731 (2015: £475,748) for expenses met on the company's behalf.

Tropus and Spicer Limited

During the year the company was invoiced costs of £8,500 (2015: £70,500) in relation to project development by Tropus & Spicer Limited, a subsidiary company of Guildhouse Holdings Limited, the parent company of Guildhouse UK Limited. At the balance sheet date, the company owed £nil (2015: £20,063) to Tropus and Spicer Limited.

Tropus & Spicer Partnership

During the year the company was invoiced costs of £13,459 (2015: £151,922) in relation to project development by Tropus & Spicer Partnership, a partnership in which Mr D J Hudson, Mr A J Fowles and Mr B J Jenkins are partners. At the balance sheet date, the company owed £nil (2015: £3,600) to Tropus & Spicer Partnership.

Guildhouse UK Limited

During the year the company was invoiced costs of £22,645 (2015: £209,272) in relation to project development and £249,469 (2015: £252,414) in relation to management and administration fees by Guildhouse UK Limited, an intermediate parent company. At the balance sheet date, the company owed £125,884 (2015: £156,311) to Guildhouse UK Limited.

During the year, the company paid interest of £14,992 (2015: £nil) on subordinated loans to Guildhouse UK Limited. At the balance sheet date, the balance of loans outstanding was £240,000 (2015: £nil).

During the year the company received interest on loan notes of £24,986 (2015: £nil) from Norlife (QEH) Limited. At the balance sheet date loan notes totalling £400,000 (2015: £nil) were outstanding, repayable in five years from issue.

Guildhouse UK (PPP) Limited

During the year, the company paid interest of £83,149 (2015: £83,943) on subordinated loans to Guildhouse UK (PPP) Limited, the parent company. At the balance sheet date, the balance of loans outstanding was £585,968 (2015: £594,204).

Lord Sawyer of Darlington

During the year the company was invoiced professional fees of £10,000 (2015: £10,000) by Lord Sawyer of Darlington, a director, on a normal commercial basis.

Accuro FM Limited

At the balance sheet date, the company owed £175 (2015: £175) to Accuro FM Limited, a company in which Mr D J Hudson is the ultimate controlling party.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2016

Community Health Partnership Limited

During the year the company invoiced project management fees of £205,587 (2015: £1,616,253) to Community Health Partnerships Limited, a shareholder in Norlife Limited. At the balance sheet date, the company was owed £nil (2015: £397,597) by Community Health Partnerships Limited.

At the balance sheet date, loan notes of £550,646 (2015: £396,135) were outstanding. During the year interest of £65,428 (2015: £58,516) was paid on these loan notes.

17. ULTIMATE CONTROLLING PARTY

The directors consider that there is no one ultimate controlling party.

18. KEY MANAGEMENT PERSONNEL COMPENSATION

All directors who have authority and responsibility for planning, directing and controlling the activities of the company and are considered to be key management personnel. Total remuneration in respect of those individuals is £10,000 (2015: £10,000).

RECONCILIATION OF EQUITY
1 OCTOBER 2014
(DATE OF TRANSITION TO FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		25,136	-	25,136
Investments		4,375,517	-	4,375,517
		<u>4,400,653</u>	<u>-</u>	<u>4,400,653</u>
CURRENT ASSETS				
Debtors		178,632	-	178,632
Cash at bank		134,736	-	134,736
		<u>313,368</u>	<u>-</u>	<u>313,368</u>
CREDITORS				
Amounts falling due within one year		(1,097,637)	-	(1,097,637)
NET CURRENT LIABILITIES		<u>(784,269)</u>	<u>-</u>	<u>(784,269)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,616,384	-	3,616,384
CREDITORS				
Amounts falling due after more than one year		(987,756)	-	(987,756)
PROVISIONS FOR LIABILITIES	2	-	(676,000)	(676,000)
NET ASSETS		<u>2,628,628</u>	<u>(676,000)</u>	<u>1,952,628</u>
CAPITAL AND RESERVES				
Called up share capital		171,000	-	171,000
Revaluation reserve	1	3,369,743	(3,369,743)	-
Fair value reserve	1,2	-	2,693,743	2,693,743
Retained earnings		(912,115)	-	(912,115)
SHAREHOLDERS' FUNDS		<u>2,628,628</u>	<u>(676,000)</u>	<u>1,952,628</u>

The notes form part of these financial statements

NORLIFE LIMITED (REGISTERED NUMBER: 05090447)

RECONCILIATION OF EQUITY - continued
30 SEPTEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		23,041	-	23,041
Investments		4,390,761	-	4,390,761
		<u>4,413,802</u>	<u>-</u>	<u>4,413,802</u>
CURRENT ASSETS				
Debtors		492,439	-	492,439
Cash at bank		94,003	-	94,003
		<u>586,442</u>	<u>-</u>	<u>586,442</u>
CREDITORS				
Amounts falling due within one year		(1,411,721)	-	(1,411,721)
NET CURRENT LIABILITIES		<u>(825,279)</u>	<u>-</u>	<u>(825,279)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,588,523	-	3,588,523
CREDITORS				
Amounts falling due after more than one year		(976,611)	-	(976,611)
PROVISIONS FOR LIABILITIES	2	-	(613,000)	(613,000)
NET ASSETS		<u>2,611,912</u>	<u>(613,000)</u>	<u>1,998,912</u>
CAPITAL AND RESERVES				
Called up share capital		171,000	-	171,000
Revaluation reserve	1	3,394,222	(3,394,222)	-
Fair value reserve	1,2	-	2,781,222	2,781,222
Retained earnings		(953,310)	-	(953,310)
SHAREHOLDERS' FUNDS		<u>2,611,912</u>	<u>(613,000)</u>	<u>1,998,912</u>

Notes to the reconciliation of equity

Note 1

The revaluation reserve arising on the fair value adjustments to the company's investment in subsidiaries is recorded through the income statement and fair value reserve.

Note 2

Deferred tax has been included in respect of the company's valuation of investment in subsidiary undertakings.

The notes form part of these financial statements

NORLIFE LIMITED (REGISTERED NUMBER: 05090447)

RECONCILIATION OF LOSS OR PROFIT
FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER		2,161,210	-	2,161,210
Cost of sales		(1,916,332)	-	(1,916,332)
GROSS PROFIT		244,878	-	244,878
Administrative expenses		(274,503)	-	(274,503)
OPERATING LOSS		(29,625)	-	(29,625)
Interest receivable and similar income		142,489	-	142,489
Fair value (gain)/loss on investments		-	24,479	24,479
Interest payable and similar expenses		(154,059)	-	(154,059)
LOSS BEFORE TAXATION		(41,195)	24,479	(16,716)
Tax on loss	1	-	63,000	63,000
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(41,195)	87,479	46,284

Notes to the reconciliation of profit or loss

Note 1

Deferred tax has been included in respect of the company's valuation of investment in subsidiary undertakings.

The notes form part of these financial statements