

CP DISTRIBUTION 1 (GP) LIMITED
FINANCIAL STATEMENTS
5 APRIL 2016

THURSDAY



LD2 *L5YWQ6M1* #112
26/01/2017
COMPANIES HOUSE

THOMPSON TARAZ LLP
Chartered Accountants
47 Park Lane
Mayfair
London
W1K 1PR

CP DISTRIBUTION 1 (GP) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2016

CONTENTS	PAGE
Directors' report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4

CP DISTRIBUTION 1 (GP) LIMITED

DIRECTORS' REPORT

YEAR ENDED 5 APRIL 2016

The directors present their report and the unaudited financial statements of the company for the year ended 5 April 2016.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of the general partner in Commercial Distribution Fund 1 LP. On 18 May 2016 the property held by Commercial Distribution Fund 1 LP was sold.

DIRECTORS

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

M J Chicken
K D Gray
M M Heffernan
A Taraz

SMALL COMPANY PROVISIONS

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

Registered office:
47 Park Lane
London
W1K 1PR

Signed by order of the directors



Property Secretaries Limited
Company Secretary

Approved by the directors on 25 January 2017

CP DISTRIBUTION 1 (GP) LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 5 APRIL 2016

	Note	2016 £	2015 £
TURNOVER		—	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		—	—
Tax on profit on ordinary activities		—	—
PROFIT FOR THE FINANCIAL YEAR		—	—
Balance brought forward		<u>3,033</u>	<u>3,033</u>
Balance carried forward		<u>3,033</u>	<u>3,033</u>

The notes on pages 4 to 5 form part of these financial statements.

CP DISTRIBUTION 1 (GP) LIMITED

BALANCE SHEET

5 APRIL 2016

	Note	2016 £	2015 £
FIXED ASSETS			
Investments	4	<u>1</u>	<u>1</u>
CURRENT ASSETS			
Debtors	5	3,241	3,241
Cash in hand		<u>2</u>	<u>2</u>
		3,243	3,243
CREDITORS: Amounts falling due within one year	6	<u>209</u>	<u>209</u>
NET CURRENT ASSETS		<u>3,034</u>	<u>3,034</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,035</u>	<u>3,035</u>
CAPITAL AND RESERVES			
Called up equity share capital	8	2	2
Profit and loss account		<u>3,033</u>	<u>3,033</u>
SHAREHOLDERS' FUNDS		<u>3,035</u>	<u>3,035</u>

For the year ended 5 April 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

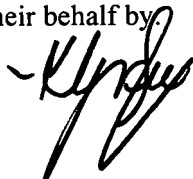
Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These accounts were approved by the directors and authorised for issue on 25 January 2017, and are signed on their behalf by:

K GRAY
Director



Company Registration Number: 06865668

The notes on pages 4 to 5 form part of these financial statements.

CP DISTRIBUTION 1 (GP) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2. TAXATION

The effective rate of corporation tax was 0%, therefore there was no tax charge.

3. OPERATING PROFIT

Operating profit is stated after crediting:

	2016 £	2015 £
Directors' remuneration	<u>—</u>	<u>—</u>

4. INVESTMENTS

Investments

COST

At 6 April 2015 and 5 April 2016	£	<u>1</u>
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NET BOOK VALUE

At 5 April 2016 and 5 April 2015	<u>1</u>
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The investment represents a capital contribution to the Commercial Property Distribution Fund 1 LP.

5. DEBTORS

	2016 £	2015 £
Other debtors	<u>3,241</u>	<u>3,241</u>

6. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Other creditors	<u>209</u>	<u>209</u>

CP DISTRIBUTION 1 (GP) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2016

7. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

The company is controlled by M J Chicken and A Taraz.

8. SHARE CAPITAL

Allotted, called up and fully paid:

	2016		2015	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

REGISTRATION NUMBER LP13620

COMMERCIAL PROPERTY DISTRIBUTION FUND 1
FINANCIAL STATEMENTS
PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

THESE PARTNERSHIP
ACCOUNTS FORM
PART OF THE ACCOUNTS
OF COMPANY
No. 06865668



LD2

L5YWQ6LT

26/01/2017

#111

COMPANIES HOUSE

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

CONTENTS	PAGE
Operator and professional advisers	1
General partner's report	2
Independent auditors' report	5
Profit and loss statement	7
Balance sheet	9
Notes to the financial statements	10

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

OPERATOR AND PROFESSIONAL ADVISERS

Operator of Partnership

Thompson Taraz Managers Limited
47 Park Lane
Mayfair
London
W1K 1PR

General Partner

CP Distribution 1 (GP) limited
47 Park Lane
Mayfair
London
W1K 1PR

Solicitors to the Partnership

CMS Cameron McKenna LLP
Mitre House
160 Aldersgate Street
London
EC1A 4DD

Solicitors - Property

Howard Kennedy LLP
Solicitors
No. 1 London Bridge
London
SE1 9BG

Valuer

Knight Frank LLP
55 Baker Street
London

W1U 8AN

Independent Auditors

Menzies LLP
Lynton House
7-12 Tavistock Square
London
WC1H 9LT

Bankers

HSBC
133 Regent Street
London
W1B 4HX

Santander
2 Triton Square
Regent's Place
London
NW1 3AN

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

GENERAL PARTNER'S REPORT

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

The General Partner has pleasure in presenting its report on the operations of the Partnership for the period from 6 April 2015 to 30 June 2016 together with the financial statements.

PRINCIPAL ACTIVITIES, REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Partnership is that of property investment.

The Partnership holds office buildings that have been built close to the University's campus, in one of the prime office locations in Newcastle's city centre. The property, which completed in mid April 2011, will be the new central building for the Business School of Newcastle University. The property was sold on 18 May 2016.

It is the intention of the General Partner to wind up the Partnership in the near future. Accordingly, the Financial Statements have been prepared on a break up basis.

The principal risks and uncertainties facing the Partnership are set out in the Information Memorandum. These are not reproduced here, as this report is prepared under the provisions applicable to small entities.

CONSTITUTION AND GOVERNANCE

The Partnership is a limited partnership, initially registered on 11 September 2009, which entered into a Limited Partnership Agreement on 10 September 2009 ("the Partnership Agreement") and is registered under the Limited Partnership Act 1907. The initial term of the Partnership is for 20 years but may be extended by up to two Special Resolutions, by up to 2 years each and 4 years in aggregate.

The Registered Office of the General Partner and the principal place of business of the Partnership is 47 Park Lane, London, W1K 1PR.

The Operator of the Partnership is Thompson Taraz Managers Limited.

RESULTS AND DISTRIBUTIONS

The Partnership's profit for the period was £4,867,057.

In May 2016, following disposal of the property and full repayment of the bank borrowings, an interim distribution was made to the Partners of 95% of the net sales proceeds. Included in this amount was the annual 5% distribution due to Partners.

THE PARTNERS

The General Partner is CP Distribution 1 (GP) Limited. The Limited Partner's contributions are as set out in the Partners Interest note. Each limited partner's contribution in the Partnership is made up of a Capital Contribution and a Loan Contribution.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

GENERAL PARTNER'S REPORT

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES

The General Partner is responsible for preparing the General Partners Report and the financial statements in accordance with applicable law and regulations.

The Partnership Agreement requires the General Partner to prepare financial statements for each financial year. Under that law the General Partner has elected to prepare the financial statements in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and applicable law. The General Partner 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 Partnership and the profit and loss of the Partnership for that period.

In preparing these financial statements, the General Partner is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 Limited Partnership will continue in business.

The General Partner is responsible for keeping adequate accounting records that are sufficient to show and explain the Partnerships transactions and disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Partnerships (Accounts) Regulation 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITORS

The partnership is entitled to claim exemption from audit in accordance with the provisions applicable to small companies (on the basis that the partnership would have qualified as a small company had it been incorporated under the Companies Act). However, the partnership has elected not to take advantage of this exemption as an audit is required by the terms of the Limited Partnership Agreement. The General Partner is therefore required to make the following statement:

- a) So far as the General Partner is aware, there is no relevant audit information of which the partnership's auditors are unaware; and
- b) It has taken all steps that it ought to have taken as a General Partner in order to make itself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

GENERAL PARTNER'S REPORT

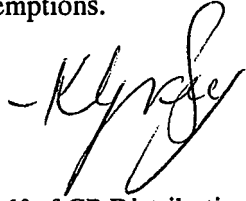
PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

AUDITORS

Menzies LLP were re-appointed during the year and will cease to act when the Partnership winds up.

SMALL ENTITY PROVISIONS

This report has been prepared in accordance with the provisions applicable to entities entitled to the small entity exemptions.

A handwritten signature in black ink, appearing to read 'K. Lyndee', is positioned above the printed name of the Director.

Director
For and on behalf of CP Distribution 1 (GP) Limited
01 September 2016

COMMERCIAL PROPERTY DISTRIBUTION FUND 1
INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF
COMMERCIAL PROPERTY DISTRIBUTION FUND 1
PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

We have audited the financial statements of Commercial Property Distribution Fund 1 for the period from 6 April 2015 to 30 June 2016 on pages 7 - 15. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Partners, as a body, in accordance with 'The Partnership (Accounts) Regulations 2008' and the Limited Partnership Agreement. Our audit work has been undertaken so that we might state to the Partners those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Partners as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE GENERAL PARTNER AND AUDITOR

As explained more fully in the General Partners Responsibilities Statement set out on page 3, the General Partner is 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Partnership's affairs as at 30 June 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with 'The Partnerships (Accounts) Regulations 2008' and the Limited Partnership Agreement.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

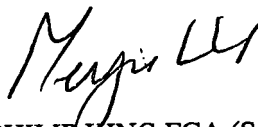
INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF COMMERCIAL PROPERTY DISTRIBUTION FUND 1

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where The Partnerships (Accounts) Regulations 2008 and the Limited Partnership Agreement 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
- we have not received all the information and explanations we require for our audit; or
- the General Partner was not entitled to prepare the financial statements and the General Partner's report in accordance with the small entities regime.



PHILIP KING FCA (Senior Statutory Auditor)
For and on behalf of
MENZIES LLP
Chartered Accountants & Statutory Auditor

Lynton House
7-12 Tavistock Square
London
WC1H 9LT

2 September 2016

COMMERCIAL PROPERTY DISTRIBUTION FUND 1
PROFIT AND LOSS STATEMENT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES
PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

	Note	Period from 6 April 15 to 30 June 16 £	Year to 5 April 15 £
PROFIT AND LOSS STATEMENT			
INCOME	2	2,666,459	2,300,846
OTHER OPERATING INCOME	3	62,383	54,571
		<u>2,728,842</u>	<u>2,355,417</u>
OPERATING COSTS			
OTHER OPERATING CHARGES		(112,383)	(75,505)
OPERATING PROFIT	4	2,616,459	2,279,912
Profit/(Loss) on sale of fixed assets		4,205,994	–
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		6,822,453	2,279,912
INTEREST RECEIVABLE	6	15,908	10,594
INTEREST PAYABLE AND SIMILAR CHARGES	7	(1,971,304)	(1,485,368)
PROFIT ON ORDINARY ACTIVITIES FOR THE FINANCIAL PERIOD BEFORE AND AFTER TAXATION		4,867,057	805,138
PROFIT FOR THE FINANCIAL PERIOD		4,867,057	805,138
Balance brought forward		826,237	743,650
Distributions to partners		(16,812,681)	(722,551)
Transfer from capital appreciation account		11,119,387	–
Balance carried forward		<u><u>–</u></u>	<u><u>826,237</u></u>

There is no difference between the income on ordinary activities and net income for the period stated above and their historical cost equivalent.

The notes on pages 10 - 15 form part of these financial statements.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1
PROFIT AND LOSS STATEMENT AND STATEMENT OF TOTAL
RECOGNISED GAINS AND LOSSES

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Period from 6 April 15 to 30 June 16 £	Year to 5 April 15 £
Net profit for the period	4,867,057	805,138
Surplus arising on valuation of investment property	–	4,915,000
Total gains and losses since the last annual report	<u>4,867,057</u>	<u>5,720,138</u>

The notes on pages 10 - 15 form part of these financial statements.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

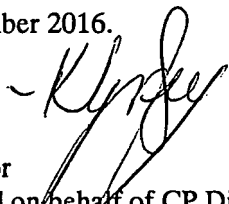
BALANCE SHEET

30 JUNE 2016

	Note	30 June 16 £	£	5 April 15 £
FIXED ASSETS				
Tangible Fixed Assets	8		–	44,400,000
CURRENT ASSETS				
Debtors	9	293,456		201,948
Cash at bank		1,446,461		1,448,736
		<u>1,739,917</u>		<u>1,650,684</u>
CREDITORS: Amounts falling due within one year	10	<u>(276,784)</u>		<u>(1,094,461)</u>
NET CURRENT ASSETS			<u>1,463,133</u>	<u>556,223</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,463,133</u>	<u>44,956,223</u>
CREDITORS: Amounts falling due after more than one year	11		–	(20,608,714)
NET ASSETS			<u>1,463,133</u>	<u>24,347,509</u>
FUNDED BY:				
Partners' capital contribution account	14	14,451		14,451
Partners' loan contribution account	14	1,448,682		12,387,434
Partners' capital appreciation account	14	–		11,119,387
Partners' income account	14	–		826,237
		<u>1,463,133</u>		<u>24,347,509</u>

These financial statements have been prepared in accordance with the special provisions for small entities and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the General Partner and authorised for issue on 01 September 2016.


 Director
 For and on behalf of CP Distribution 1 (GP) Limited
 01 September 2016

Registration Number LP13620

The notes on pages 10 - 15 form part of these financial statements.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment property. The financial statements have been prepared on a break up basis in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015), The Partnerships (Accounts) Regulations 2008 and with the terms of the Partnership Agreement, which have been applied consistently.

Turnover

Rental income is accounted for on an accruals basis and is stated net of VAT.

Investment properties

In accordance with Statement of Standard Accounting Practice No 19 ("SSAP 19") investment properties are revalued annually to open market value and no depreciation is provided. The partners consider that this accounting policy results in the financial statements giving a true and fair view.

The aggregate surplus or deficit arising on revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

Acquisitions and disposals

Properties are recognised as acquired or disposed of on the date that the risks and rewards of ownership are transferred from the vendor or to the purchaser respectively.

Issue costs

Issue costs with respect to partner's loans received are set off against the Partner's Loan Contribution balance.

Deferred borrowing costs

Finance costs are charged to the profit and loss account over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated debt instrument.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

1. ACCOUNTING POLICIES *(continued)*

Taxation

The Partnership is carrying on the business of property investment and should have no tax liability in respect of income and gains distinct from that incurred by the partners. Income and gains generated by the Partnership are attributed to the partners for tax purposes pro rata to their investment as set out in the Partnership Agreement.

The taxable income is reduced by the deduction of the interest cost incurred on the loan used to purchase the property and by utilising capital allowances.

Distributions

The Partnership has a full distribution policy of all net positive cash flows to all partners, subject to a small cash provision being maintained to cover any administration or management costs, also subject to payment of interest and repayment of bank indebtedness.

2. INCOME

Turnover represents amounts receivable, exclusive of VAT and similar taxes, arising from the rental of properties within the United Kingdom.

3. OTHER OPERATING INCOME

	Period from 6 April 15 to 30 June 16 £	Year to 5 April 15 £
Insurance Income	61,350	54,235
Service Charge Income	1,033	336
	<u>62,383</u>	<u>54,571</u>

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

4. OPERATING SURPLUS

Operating surplus is stated after charging:

	Period from 6 April 15 to 30 June 16 £	Year to 5 April 15 £
Auditors' remuneration	<u>3,250</u>	<u>3,145</u>

5. PARTNER REMUNERATION AND EMPLOYEE INFORMATION

The partners received no remuneration from the Partnership. The Partnership does not have any employees.

6. INTEREST RECEIVABLE

	Period from 6 April 15 to 30 June 16 £	Year to 5 April 15 £
Interest receivable	<u>15,908</u>	<u>10,594</u>
Bank interest	282	302
Interest receivable from Commercial Property Distribution Fund 1		
Unit Trust	13,423	10,292
Other interest	<u>2,203</u>	<u>—</u>
	<u>15,908</u>	<u>10,594</u>

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

7. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from 6 April 15 to 30 June 16 £	Year to 5 April 15 £
Interest payable on bank borrowings	1,879,039	1,419,843
Finance charges	92,265	65,525
	<u>1,971,304</u>	<u>1,485,368</u>

8. TANGIBLE FIXED ASSETS

	Freehold Property £
COST OR VALUATION	
At 6 April 2015	44,400,000
Disposals	(44,400,000)
At 30 June 2016	<u>—</u>
NET BOOK VALUE	
At 30 June 2016	<u>—</u>

The property was sold on 18 May 2016 for £50,950,000. After disposal costs there was a profit on sale of £4,205,994.

The historical cost of the property at the date of sale was £33,280,613 (5 April 2015: £33,280,613).

9. DEBTORS

	30 June 16 £	5 April 15 £
Trade debtors	—	403
Trust debtor	—	186,067
Other debtors	293,456	15,478
	<u>293,456</u>	<u>201,948</u>

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

10. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	30 June 16	5 April 15
	£	£
Trade creditors	18,042	19,183
Bank loans and overdrafts (secured see note 11)	–	67,776
Taxation and social security	–	110,845
Income received in advance	–	578,408
Accruals	258,742	318,249
	<u>276,784</u>	<u>1,094,461</u>

In anticipation of making a final distribution, prior to winding up the Partnership we have accrued for all known costs that will become due and payable amounting to £52,500.

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30 June 16	5 April 15
	£	£
Bank Loans	–	20,608,714
Bank loan		
Due between 1-2 years	–	20,608,714
Due between 2-5 years	–	–
Due after more than 5 years	–	–
Less: deferred borrowing costs to be amortised	–	–
	<u>–</u>	<u>20,608,714</u>

The property was sold on 18 May 2016 and the proceeds were sufficient to repay the entire outstanding loan balance.

12. RELATED PARTY TRANSACTIONS

From 23 October 2015 Vistra Trust Corporation (UK) Limited (previously The Royal Bank of Canada Trust Corporation Limited) acts as Trustee for CP Distribution Fund 1 Unit Trust and is a Limited Partner in the Partnership.

Interest is charged at a rate of 6.83% (being the rate of interest charged on the bank loan) on advances to the Trust.

There is no controlling entity. The General Partner manages the Limited Partnership in accordance with the Limited Partnership Agreement.

COMMERCIAL PROPERTY DISTRIBUTION FUND 1

NOTES TO THE FINANCIAL STATEMENTS

PERIOD FROM 6 APRIL 2015 TO 30 JUNE 2016

13. DISTRIBUTION TO PARTNERS

It was decided by the directors of the General Partner that the annual 5% distribution for 2015/16 would be included in the distribution paid to Partners after the property was disposed. An interim distribution was made to the Partners of 95% of the net sales proceeds after the full repayment of bank borrowings.

14. LIMITED PARTNERS CONTRIBUTIONS AND INCOME ACCOUNTS

	Loan Contribution	Capital Contribution	Net Income	Capital Appreciation
	£	£	£	£
Balance brought forward	12,387,434	14,451	826,237	11,119,387
Distributions during the period	-	-	(16,812,681)	-
Loan repayments during the period	(10,938,752)	-	-	-
Profit for the period	-	-	4,867,057	-
Transfer to retained reserves	-	-	-	(11,119,387)
Transfer from capital appreciation account	-	-	11,119,387	-
	<u>1,448,682</u>	<u>14,451</u>	<u>-</u>	<u>-</u>