

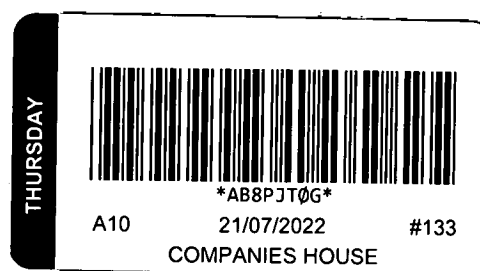
Registered number: OC306338

RRHE LLP

Unaudited

Financial statements

For the Year Ended 31 October 2021



RRHE LLP
Registered number: OC306338

Statement of financial position
As at 31 October 2021

	Note	2021 £	2020 £
Fixed assets			
Investment property	4	6,400,000	2,850,000
		<u>6,400,000</u>	<u>2,850,000</u>
Current assets			
Debtors: amounts falling due within one year	5	88,140	122,768
Cash at bank and in hand	6	3,278	10,720
		<u>91,418</u>	<u>133,488</u>
Creditors: Amounts Falling Due Within One Year	7	(8,066,669)	(8,018,290)
Net current liabilities		<u>(7,975,251)</u>	<u>(7,884,802)</u>
Total assets less current liabilities		<u>(1,575,251)</u>	<u>(5,034,802)</u>
Creditors: amounts falling due after more than one year	8	(146,000)	(146,000)
		<u>(1,721,251)</u>	<u>(5,180,802)</u>
Net liabilities		<u>(1,721,251)</u>	<u>(5,180,802)</u>
Represented by:			
Loans and other debts due to members within one year			
Other amounts	10	(1,721,311)	(5,180,862)
		<u>(1,721,311)</u>	<u>(5,180,862)</u>
Members' other interests			
Members' capital classified as equity	60	60	60
		<u>(1,721,251)</u>	<u>(5,180,802)</u>
Total members' interests			
Loans and other debts due to members	10	(1,721,311)	(5,180,862)
Members' other interests		60	60
		<u>(1,721,251)</u>	<u>(5,180,802)</u>

RRHE LLP
Registered number: OC306338

Statement of financial position (continued)
As at 31 October 2021

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

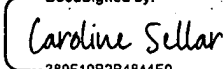
The entity was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and the preparation of financial statements.

The financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The entity has opted not to file the statement of comprehensive income in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 13 July 2022.

DocuSigned by:

389F10B2B4844E0...
Caroline Sellar
Designated member

The notes on pages 4 to 11 form part of these financial statements.

RRHE LLP

**Statement of changes in equity
For the Year Ended 31 October 2021**

	Members capital (classified as equity)	Other reserves	Total equity
	£	£	£
At 1 November 2019	60	-	60
Comprehensive income for the year			
Loss for year for discretionary division among members	-	(144,368)	(144,368)
Allocated loss	-	144,368	144,368
At 1 November 2020	60	-	60
Comprehensive income for the year			
Profit for year for discretionary division among members	-	3,459,551	3,459,551
Allocated profit	-	(3,459,551)	(3,459,551)
At 31 October 2021	60	-	60

The notes on pages 4 to 11 form part of these financial statements.

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

1. General information

RRHE LLP is incorporated in England and Wales with registered number OC306338. The registered office is Ground Floor, Threeways House, 40-44 Clipstone Street, London, W1W 5DW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the limited liability partnership's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The principal activity of RRHE LLP is property investment.

2.3 Tangible fixed assets

Investment property is carried at fair value determined annually by a valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the profit or loss in the period.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Tax provisions

The taxation payable on profits is the personal liability of the members during the year.

2.6 Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

2.7 Financial liabilities and equity

Financial liabilities and equity instruments are initially measured at the amount of the net proceeds received.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

2. Accounting policies (continued)

2.8 Investment property

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the profit or loss in the period.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The limited liability partnership only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

2. Accounting policies (continued)**2.12 Financial instruments (continued)**

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the limited liability partnership would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The entity has no employees.

4. Investment property

	Freehold investment property £
Valuation	
At 1 November 2020	2,850,000
Additions at cost	56,639
Surplus on revaluation	3,493,361
At 31 October 2021	<u>6,400,000</u>

The freehold investment property was revalued by the members at 31 October 2021 on the basis of a residual land value calculation.

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

5. Debtors

	2021 £	2020 £
Amounts owed by related parties	87,150	120,933
Other debtors	990	1,835
	<u>88,140</u>	<u>122,768</u>

All amounts shown under debtors fall due for payment within one year.

6. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>3,278</u>	<u>10,720</u>

7. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	-	10,200
Amounts owed to related parties	5,530,961	5,470,367
Other creditors	2,533,208	2,533,208
Accruals and deferred income	2,500	4,515
	<u>8,066,669</u>	<u>8,018,290</u>

8. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Amounts owed to related parties	<u>146,000</u>	<u>146,000</u>

9. Contingent liabilities

The partnership has entered into a loan agreement jointly with RRHB LLP, RRHS LLP and all three are responsible for the debt. The balance of the loan at 31 October 2021 is £1,563,112.

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

10. Loans and other debts due from/(to) members

	2021 £	2020 £
Other amounts due to members	<u>1,721,311</u>	<u>5,180,862</u>

Loans and other debts due to members may be further analysed as follows:

	2021 £	2020 £
Falling due within one year	<u>1,721,311</u>	<u>5,180,862</u>

RRHE LLP

Notes to the financial statements
For the Year Ended 31 October 2021

11. Reconciliation of members' interests

	Equity Members' other interests			Debt Loans and other debts due to members less any amounts due from members in debtors	Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £
Amounts due to members	-	3,459,551	3,459,551	(5,180,862)	3,459,551
Profit for the year available for discretionary division among members	-	-	-	-	-
Members' interests after profit for the year	60	3,459,551	3,459,611	(1,721,311)	1,738,300
Other division of profits	-	(3,459,551)	(3,459,551)	-	(3,459,551)
Amounts due to members	-	-	-	(1,721,311)	-
Balance at 31 October 2021	60	-	60	(1,721,311)	(1,721,251)

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

11. Reconciliation of members' interests (continued)

The limited liability partnership's profits are divided among the members after the end of the year in accordance with established profit sharing arrangements and only certain profit shares are allocated at the balance sheet date. As a result, the balance of profits available for distribution among the members at the balance sheet date is included in members' other interests, and drawings by members on account of profits for the year are classified as amounts due from members. In addition to drawings made during the year, loans due from members represent, inter alia, amounts drawn by members in previous years against unrealised capital surplus on the limited liability partnership's investment properties.

Members other interests rank after unsecured creditors, and loans and other debts due to members rank pari passu with unsecured creditors in the event of a winding up. The amount of capital each member is required to subscribe is determined by his or her share of profit and the financing requirements of the limited liability partnership and under its internal regulations a member may only withdraw capital when he or she ceases to be a member.

Revaluation reserve represents cumulative revaluation movements in the fair value of Investment Property, gross of any deferred tax impact.

On disposal of a property any cumulative revaluation movements relating to the disposed property which are realised will be transferred to other reserves.

RRHE LLP

**Notes to the financial statements
For the Year Ended 31 October 2021**

12. Related party transactions

During the year RRHE LLP had the following transactions with companies under common control of the members:

Interest payable to related companies totalling £26,752 (2020: £26,752)

Paid funding to related companies totalling £6,000 (2020: £288,912)

Received funding from related companies totalling £73,625 (2020: £399,112)

Amounts due from related parties at the balance sheet date total £87,150 (2020: £120,933)

Amounts due to related parties at the balance sheet date total £5,676,961 (2020: £5,616,366)