

Limited Liability Partnership Registration No. OC312497 (England and Wales)

ABANAR LLP

ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2013



ABANAR LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	HM Developments Limited Lesing Eight Limited
Limited liability partnership number	OC312497
Registered office	Queen Anne Mansions 86-87 Wimpole Street London W1G 9RL
Auditors	Crowe Clark Whitehill (London) Limited Chartered Accountants 52 Jermyn Street London SW1Y 6LX
Business address	Queen Anne Mansions 86-87 Wimpole Street London W1G 9RL
Bankers	Delbrück Bethmann Maffei AG, ABN Amro Bethmannstrasse 7-9, Frankfurt am Main Germany 60311 Deutsche Bank AG London 1 Winchester House Great Winchester Street London EC2N 2DB Renshaw Bay (UK) Limited 48 Dover Street London W1S 4FF

ABANAR LLP

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ABANAR LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2013

The members present their report and financial statements for the year ended 31 August 2013.

Principal activities and review of the business

The principal activity of the group continued to be that of holding interest in property ventures and providing property related services.

The results for the year and the financial position at the year end were considered satisfactory by the members who expect continued growth in the foreseeable future.

The principal risk relating to Abanar LLP is how the group addresses its loan covenants and bad debts. In order to mitigate this risk, the designated members review the both their covenants and debtors on a regular basis.

During the year the group restructured and refinanced. All of the bought forward bank loans were repaid and two new bank loans were taken out. In addition three new companies joined the group: Abanar Holdings Limited, Broad Street MZ Limited and Ubrique MZ Limited. Further Ravenscourt House Limited left the group.

Designated Members

The following designated members have held office since 1 September 2012:

HM Developments Limited
Lesing Eight Limited

Policy on members' drawings

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

Except by special resolution to the contrary, no member shall be entitled to a withdrawal or distribution of capital.

Statement of members' responsibilities

The members are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members 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 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and of the profit or loss of the limited liability partnership for that year. In preparing those financial statements, the members are required to:

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditors are unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the limited liability partnership's auditors are aware of the information.

ABANAR LLP

MEMBERS' REPORT (CONTINUED)

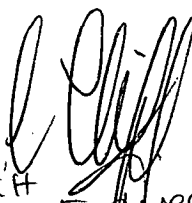
FOR THE YEAR ENDED 31 AUGUST 2013

Auditors

In accordance with the limited liability partnerships's articles, a resolution proposing that Crowe Clark Whitehill (London) Limited be reappointed as auditors of the limited liability partnership will be put at a General Meeting.

On behalf of the members

.....
Lesing Eight Limited
Designated Member


S. Cliff
alternate director
for and on behalf of
Lesing Eight Ltd.

6 March 2014

ABANAR LLP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ABANAR LLP

We have audited the group and parent limited liability partnership financial statements (the "financial statements") of Abanar LLP for the year ended 31 August 2013 set out on pages 5 to 21. 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).

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditors' 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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the members and auditors

The members' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that they give a true and fair view are set out in the Statement of Members' Responsibilities on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), and give a true and fair view.

In addition we report to you if, in our opinion, the limited liability partnership has not kept adequate accounting records or if we have not received all the information and explanations we require for our audit.

We read the members' report on pages 1 and 2 and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the members in the preparation of the financial statements, and of whether the accounting policies are appropriate to the limited liability partnership's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ABANAR LLP

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF ABANAR LLP

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent limited liability partnership's affairs as at 31 August 2013 and of the group's loss for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

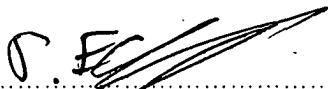
Emphasis of matter

In forming our opinion we have considered the adequacy of disclosures made in Note 1.1 of the financial statements in respect of the preparation of the financial statements on a going concern basis. In view of the significance of this uncertainty we consider that this should be drawn to your attention but our opinion is not qualified in this respect. The financial statements do not include any adjustments if the partnership were not able to continue as a going concern.

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 by the parent limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent limited liability partnership financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Stacy Eden (Senior Statutory Auditor)
for and on behalf of Crowe Clark Whitehill (London) Limited

6 March 2014

Chartered Accountants
Statutory Auditor
52 Jermyn Street
London
SW1Y 6LX

ABANAR LLP

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2013

	Notes	2013 £	2012 £
Turnover	2	9,643,163	9,472,738
Cost of sales		(2,620,964)	(2,669,566)
Gross profit		7,022,199	6,803,172
Administrative expenses		(1,939,341)	(2,063,385)
Operating profit	3	5,082,858	4,739,787
(Loss)/profit on disposal of fixed asset investments	4	(3,329,722)	129,855
Other interest receivable and similar income		27,694	23,188
Diminution in value of investment properties	5	(1,640,000)	1,640,000
Interest payable and similar charges	6	(6,072,221)	(4,463,390)
(Loss)/Profit on ordinary activities before taxation		(5,931,391)	2,069,440
Tax on loss on ordinary activities	7		0
(Loss)/Profit for the Financial year before members' remuneration and profit shares	16	(5,931,391)	2,069,440

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ABANAR LLP

CONSOLIDATED STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2013

	2013	2012
	£	£
(Loss)/Profit for the financial year	(5,931,391)	2,069,440
Unrealised deficit on revaluation of properties	(5,695,000)	(4,405,000)
Total recognised gains and losses relating to the year	<u>(11,626,391)</u>	<u>(2,335,560)</u>
Reported (loss)/profit on ordinary activities before taxation	(5,931,391)	2,069,440
Realisation of property revaluation gains of previous years	0	0
Historical cost (loss)/profit on ordinary activities before taxation	<u>(5,931,391)</u>	<u>2,069,440</u>
Historical cost (loss)/profit for the year retained after taxation, extraordinary items and dividends	<u>(5,931,391)</u>	<u>2,069,440</u>

ABANAR LLP

BALANCE SHEETS

AS AT 31 AUGUST 2013

		Group		Limited Liability Partnership	
	Notes	2013 £	2012 £	2013 £	2012 £
Fixed assets					
Intangible assets	9	55,962	60,366	0	0
Tangible assets	10	71,500,000	90,195,000	0	0
Investments	11	30	0	13,400,132	18,442,096
		<u>71,555,992</u>	<u>90,255,366</u>	<u>13,400,132</u>	<u>18,442,096</u>
Current assets					
Debtors	12	2,708,439	715,357	1,058,549	1,056,363
Cash at bank and in hand		2,204,906	2,950,687	170,117	20,325
		<u>4,911,345</u>	<u>3,666,044</u>	<u>1,228,666</u>	<u>1,076,688</u>
Creditors: amounts falling due within one year	13	(10,398,728)	(55,861,044)	(7,888,134)	(5,719,176)
Net current liabilities		<u>(5,487,383)</u>	<u>(52,195,000)</u>	<u>(6,659,468)</u>	<u>(4,642,488)</u>
Total assets less current liabilities		<u>66,068,609</u>	<u>38,060,366</u>	<u>6,740,664</u>	<u>13,799,608</u>
Creditors: amounts falling due after more than one year	14	(57,269,634)	(19,275,000)	-	-
Total assets less total liabilities		<u>8,798,975</u>	<u>18,785,366</u>	<u>6,740,664</u>	<u>13,799,608</u>
REPRESENTED BY:					
Loans and other debts due to members within one year					
Other amounts	16, 17	58,082,500	58,082,500	58,082,500	58,082,500
		<u>58,082,500</u>	<u>58,082,500</u>	<u>58,082,500</u>	<u>58,082,500</u>
Members' other interests:					
Other reserves classified as equity under FRS 25	16	(44,611,695)	(38,680,304)	(51,341,839)	(44,282,895)
Revaluation reserve	16	(4,671,833)	(616,833)	0	0
Members capital	16	3	3	3	3
	16	<u>8,798,975</u>	<u>18,785,366</u>	<u>6,740,664</u>	<u>13,799,608</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members	16, 17	58,082,500	58,082,500	58,082,500	58,082,500
Members' other interests	16	(49,283,525)	(39,297,134)	(51,341,836)	(44,282,892)
	16	<u>8,798,975</u>	<u>18,785,366</u>	<u>6,740,664</u>	<u>13,799,608</u>

Approved by the Members and authorised for issue on 6 March 2014

Lesing Eight Limited
Designated member

Limited Liability Partnership Registration No. OC312497

S. C. U. F. F.
alternate director
for and on behalf of Lesing
Eight Ltd.

ABANAR LLP

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

	£	2012 £	£	2012 £
Net cash inflow from operating activities		1,861,841		4,587,996
Returns on investments and servicing of finance				
Interest received	27,694		23,188	
Interest paid	(4,449,375)		(3,898,256)	
Net cash outflow for returns on investments and servicing of finance		(4,421,681)		(3,875,068)
Taxation		-		-
Capital expenditure and financial investment				
Payments to acquire investments	(30)			
Receipts from sales of investment properties and disposal of fixed asset investments	9,670,278		129,855	
Net cash inflow for capital expenditure		9,670,248		129,855
Net cash inflow before management of liquid resources and financing		7,110,408		842,783
Financing				
New long term bank loans	57,269,634			
New short term bank loans	6,322,655		874,763	
Repayment of long term bank loan	(19,275,000)		(328,913)	
Repayment of other short term loans	(52,062,593)		(808,763)	
Capital element of finance lease contracts	-		-	
Net cash outflow from financing		(7,745,304)		(262,913)
Increase / (decrease) in cash in the year		(634,896)		579,870

ABANAR LLP

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2013

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities		2013	2012
			£	£
	Operating profit		5,082,858	4,739,787
	Amortisation of intangible assets		4,404	4,404
	Increase in debtors		(1,991,083)	196,765
	Increase in creditors within one year		(1,234,338)	(352,960)
	Net cash inflow/(outflow) from operating activities		1,861,841	4,587,996
2	Analysis of net debt			
		01-Sep-12	Cash flow	Other non-cash changes
		£	£	£
	Net cash:			
	Cash at bank and in hand	2,950,687	(745,781)	-
	Bank overdrafts	(110,885)	110,885	-
		2,839,802	(634,896)	0
	Finance leases	0	0	0
	Debts falling due within one year	(52,062,593)	45,739,938	0
	Debts falling due after one year	(19,275,000)	(37,994,634)	0
		(71,337,593)	7,745,304	0
	Net debt	(68,497,791)	7,110,408	0
3	Reconciliation of net cash flow to movement in net debt		2013	2012
			£	£
	(Decrease) / increase in cash in the year		(634,896)	579,870
	Cash outflow from decrease in debt		7,745,304	262,913
	Movement in net debt in the year		7,110,408	842,783
	Opening net debt		(68,497,791)	(69,340,574)
	Closing net debt		(61,387,383)	(68,497,791)

ABANAR LLP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

The financial statements have been prepared in accordance with the Statement of Recommended Practice; "Accounting by Limited Liability Partnerships", published in 2006 and the Companies Act 2006.

As the LLP's £5.5m ABN Amro loan is renewed every 2 to 3 months, there exists an uncertainty as to the going concern of the group for the foreseeable future.

The controlling members of Abanar LLP have provided assurance of their continued support of the all the group entities as well as Abanar LLP for at least 12 months from the date of signing these financial statements.

On the basis of this support the Designated members consider it appropriate to prepare the partnership's financial statements on the going concern basis. The financial statements do not include any adjustments that would result from a withdrawal of the support outlined above.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Limited Liability Partnership Statement of Recommended Practice, which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the limited liability partnership and its subsidiary undertakings made up to 31 August 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation. The consolidated balance sheet includes goodwill acquired on acquisition of the subsidiaries.

1.4 Turnover

Turnover represents amounts receivable for rent receivable from the group's investment properties net of VAT and trade discounts and represents amounts receivable for goods and services net of VAT and trade discounts.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets include investment properties professionally valued by Chartered Surveyors on an open market value basis. Other tangible assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Investment properties: Included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Plant and machinery: 25% per annum straight line

Computer equipment: 25% and 33 1/3% straight line per annum

Fixtures, fittings & equipment: 10%, 20% and 25% straight line basis per annum

In accordance with SSAP 19 investment properties are revalued annually by Chartered Surveyors. Changes to the open market value of the investment properties are taken to the revaluation reserve within the statement of total recognised gains and losses unless they are considered permanent and are below cost when they are taken to the profit and loss account.

Although the investment property accounting policy is in accordance with the applicable accounting standard, SSAP19, Accounting for Investment Properties, it is a departure from the general requirement of the Companies Act 2006 for all tangible assets to be depreciated. In the opinion of the designated members compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

1 Accounting policies (Continued)**1.8 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Pensions

The Group operates a defined contribution scheme for the benefits of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

The analysis by class of business of the group's turnover is as set out below:

Class of business	2013 £	2012 £
DSS and Non DSS Income	-	77,703
Other income	69,204	51,463
Rental income	9,402,602	9,114,218
Booking fees received	75,375	76,334
Commercial income	48,356	47,486
Supply of staff	47,626	105,534
	<u>9,643,163</u>	<u>9,472,738</u>

3 Operating profit

Operating profit is stated after charging:

	2013 £	2012 £
Amortisation of intangible assets	4,404	4,404
Fees payable to the group's auditor for the audit of the group's annual accounts (LLP £4,250; 2012: £4,250)	36,835	34,198
Tax services and other	<u>57,863</u>	<u>9,131</u>

4 Investment income

Amounts written off fixed asset investments:
(Loss) / Profit on Disposal of investment assets

2013 £	2012 £
(3,329,722)	129,855

5 Diminution in value of investment properties

Amounts written off fixed asset investments:
(Diminution) / Uplift in value

2013 £	2012 £
(1,640,000)	1,640,000

ABANAR LLP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

6 Interest payable	2013	2012
	£	£
On bank loans and overdrafts	184,717	601,224
On other loans wholly repayable within five years	1,344,011	1,276,164
On loans repayable after five years	2,539,316	2,586,002
Loan arrangement fees	2,004,177	0
	<u>6,072,221</u>	<u>4,463,390</u>
7 Taxation	2013	2012
	£	£
Current tax charge	<u>0</u>	<u>0</u>
Deferred tax		
Origination and reversal of timing differences	<u>0</u>	<u>0</u>
Factors affecting the tax charge for the year		
(Loss) / Profit on ordinary activities before taxation	<u>(5,931,391)</u>	<u>2,069,440</u>
Profit / (Loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24% (2012 - 26%)	(1,423,534)	538,054
Effects of:		
Depreciation add back	0	0
Other adjustments	<u>1,423,534</u>	<u>(538,054)</u>
Current tax charge	<u>0</u>	<u>0</u>
8 Loss for the financial year		

As permitted by section 408 Companies Act 2006, the holding limited liability partnership's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2013	2012
	£	£
Holding limited liability partnership's loss for the financial year	<u>(7,058,944)</u>	<u>(8,078,094)</u>

ABANAR LLP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

9 Intangible fixed assets

Group

**Goodwill
£**

Cost

At 1 September 2012 & at 31 August 2013

88,074

Amortisation

At 1 September 2012

27,708

Amortisation

4,404

At 31 August 2013

32,112

Net book value

At 31 August 2013

55,962

At 31 August 2012

60,366

ABANAR LLP**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2013****10 Tangible fixed assets**

Investment properties	Group	Limited Liability Partnership
	£	£
Cost or valuation		
At 1 September 2012	90,195,000	0
Disposals	(13,000,000)	
Revaluation	(5,695,000)	0
	<hr/>	<hr/>
At 31 August 2013	71,500,000	-
	<hr/>	<hr/>
Depreciation		
At 1 September 2012 & at 31 August 2013	0	0
	<hr/>	<hr/>
Net book value		
At 31 August 2013	71,500,000	-
	<hr/>	<hr/>
At 31 August 2012	90,195,000	-
	<hr/>	<hr/>

ABANAR LLP

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

11 Fixed asset investments

Group

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 September 2012			0
Additions	30		30
At 31 August 2013	30	0	30
Net book value			
At 31 August 2013	30	0	30

Limited Liability Partnership

	Shares in group undertakings £	Loans to group undertakings £	Total £
Cost			
At 1 September 2012	108	29,732,361	29,732,469
Additions	31	25,323,723	25,323,754
Repayment of loans / disposal of shares	(8)	(29,732,361)	(29,732,369)
At 31 August 2013	131	25,323,723	25,323,854
Provisions for diminution in value			
At 1 September 2012	0	11,290,373	11,290,373
Charge for year	0	11,923,722	11,923,722
On disposals	0	(11,290,373)	(11,290,373)
At 31 August 2013	0	11,923,722	11,923,722
Net book value			
At 31 August 2013	131	13,400,001	13,400,132
At 31 August 2012	108	18,441,988	18,442,096

Ubrique Holdings Limited's shares, Abanar Holding Company 1 Limited's shares and Abanar Holding Company 2 Limited's shares are all held by trustees Praxis Secretaries Limited and Praxis Nominees Limited.

There is no interest due on any of the loans in the Limited Liability Partnership's subsidiary undertakings.

The Limited Liability Partnership has provided loans totalling £12,140,819 to subsidiary Ubrique Holdings Limited through subsidiary Abanar Holdings Limited for the purpose of acquiring student housing property in Huddersfield, England. £3,538,581 of the £12,140,819 loan has been provided for in the current year.

The Limited Liability Partnership also provided loans to Abanar Holding Company 1 Limited totalling £22,962,471 and £13,182,903 through subsidiary Abanar Holdings Limited for the purpose of acquiring student housing property in Lincoln, England and Sheffield, England respectively. £8,385,141 of the £13,182,903 loan was provided for in the year (2012: £6881,734). The £22,962,471 loan had been fully impaired in prior periods.

The £4,408,639 loan balance due to the Limited Liability Partnership from Ravenscourt House Limited which was fully provided for has been disposed of in the year since Ravenscourt House Limited left the group.

In the opinion of the members, the aggregate value of the limited liability partnership's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

ABANAR LLP

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013**

11 Fixed asset investments (Continued)

Holdings of more than 20%

The limited liability partnership holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held Class	%
Abanar Holdings Limited	Guernsey	Ordinary	100
Broad Street MZ Limited	Guernsey	Ordinary	100
Ubrique MZ Limited	Guernsey	Ordinary	100
Ubrique Holdings Limited	Guernsey	Ordinary	100
Ubrique Investments Limited	Guernsey	Ordinary	100
Ubrique Services Limited	England & Wales	Ordinary	100
Abanar Holding Company 1 Limited	Guernsey	Ordinary	100
Abanar Holding Company 2 Limited	Guernsey	Ordinary	100
Broad Street Unit Trust	Guernsey	Ordinary	100
Broad Street LP	England & Wales	Ordinary	100
Broad Street GP Limited	England & Wales	Ordinary	100
Broad Street GP Holdings Limited	England & Wales	Ordinary	100
Broad Street Retail Limited	England & Wales	Ordinary	100
Broad Street Nominee No 1 Limited	England & Wales	Ordinary	100
Broad Street Nominee No 2 Limited	England & Wales	Ordinary	100
South Street Investment Management Limited	England & Wales	Ordinary	100

The principal activity of these undertakings for the last relevant financial year were as follows:

Company	Principal activity
Abanar Holdings Limited	Holding Company
Broad Street MZ Limited	Holding Company
Ubrique MZ Limited	Holding Company
Ubrique Holdings Limited	Holding Company
Ubrique Investments Limited	Property Investment
Ubrique Services Limited	Property Management
Abanar Holding Company 1 Limited	Holding Company
Abanar Holding Company 2 Limited	Holding Company
Broad Street Unit Trust	Holding Unit Trust
Broad Street LP	Property Investment
Broad Street GP Limited	General Partner
Broad Street GP Holdings Limited	Holding company
Broad Street Retail Limited	Retail
Broad Street Nominee No 1 Limited	Nominee Company
Broad Street Nominee No 2 Limited	Nominee Company
South Street Investment Management Limited	Property Management

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

12 Debtors

	Group		Limited Liability Partnership	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	347,544	273,563	93,400	244,690
Amounts owed by group undertakings	-	-	915,661	695,530
Other debtors	2,018,699	209,505	49,488	2,432
Prepayments and accrued income	340,196	232,289	-	113,711
	<u>2,706,439</u>	<u>715,357</u>	<u>1,058,549</u>	<u>1,056,363</u>

13 Creditors : amounts falling due within one year

	Group		Limited Liability Partnership	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	6,322,655	52,173,478	5,492,290	5,001,271
Trade creditors	1,506,405	1,342,593	48,707	2,689
Amounts owed to group undertakings	857,000	701,250	2,333,712	701,250
Other taxes and social security costs	52,027	97,584	-	-
Other creditors	584,297	328,507	-	-
Accruals and deferred income	1,076,344	1,217,632	13,425	13,966
	<u>10,398,728</u>	<u>55,861,044</u>	<u>7,888,134</u>	<u>5,719,176</u>

The security of the £5,492,290 ABN Amro bank loan is provided by K Rangoonwala from designated member HM Developments Limited.

14 Creditors : amounts falling due after more than one year

	Group		Limited Liability Partnership	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	57,269,634	19,275,000	-	-
	<u>57,269,634</u>	<u>19,275,000</u>	<u>-</u>	<u>-</u>
Analysis of loans				
Wholly repayable within five years	58,099,999	19,775,000	-	-
Included in current liabilities	(830,365)	(500,000)	-	-
	<u>57,269,634</u>	<u>19,275,000</u>	<u>-</u>	<u>-</u>
Loan maturity analysis				
In more than one year but not more than two years		19,275,000	-	-
In more than two years but not more than five years	57,269,634	-	-	-
	<u>57,269,634</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2013

15 Pension and other post-retirement benefit commitments

Group

Defined contribution

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the company to the fund.

	2013 £	2012 £
Contributions payable by the group for the year	1,183	1,250

16 Members' Interests

Group	Members' other interests			Total	Loans and other debts due to members	Total	2012
	Members' capital (classified as equity)	Revaluation reserve	Other reserves				
	£	£	£	£	£	£	£
Amount due to members					58,082,500		
Members' interests at 1 September 2012	3	(616,833)	(38,680,304)	(39,297,134)	58,082,500	18,785,366	22,760,926
Profit / (Loss) for the financial year available for discretionary division among members			(5,931,391)	(5,931,391)		(5,931,391)	2,069,440
Members' interests after loss for the year	3	(616,833)	(44,611,695)	(45,228,525)	58,082,500	12,853,975	24,830,366
Surplus arising from revaluation of assets introduced by members		(4,055,000)		(4,055,000)	0	(4,055,000)	(6,045,000)
Members' interests at 31 August 2013	3	(4,671,833)	(44,611,695)	(49,283,525)	58,082,500	8,798,975	18,785,366
Amounts due to members					58,082,500	-	-

Limited Liability Partnership	Members' other interests			Total	Loans and other debts due to members	Total	2012
	Members' capital (classified as equity)	Revaluation reserve	Other reserves				
	£	£	£	£	£	£	£
Amount due to members					58,082,500		
Members' interests at 1 September 2012	3	-	(44,282,895)	(44,282,892)	58,082,500	13,799,608	21,877,702
Loss for the financial year available for discretionary division among members			(7,058,944)	(7,058,944)	-	(7,058,944)	(8,078,094)
Members' interests after loss for the year	3	-	(51,341,839)	(51,341,836)	58,082,500	6,740,664	13,799,608
Introduced by members				-		-	-
Members' interests at 31 August 2013	3	-	(51,341,839)	(51,341,836)	58,082,500	6,740,664	13,799,608
Amounts due to members					58,082,500	-	-

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

17 Loans and other debts due to members

Limited Liability Partnership	2013 £	2012 £
Loans introduced in the year	-	-
Loans from members bought forward from prior periods	58,082,500	58,082,500
Loans from members carried forward	<u>58,082,500</u>	<u>58,082,500</u>

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

18 Contingent liabilities

Limited Liability Partnership

The limited liability partnership guarantees the obligations of its subsidiaries, Ravenscourt House Limited and Ubrique Holdings Limited, to the amount of £Nil (2012: £9,265,000) and £Nil (2012: £37,100,000) respectively. These guarantees, however, are limited to the value of the partnership's investments in the two chargor companies.

19 Financial commitments

At 31 August 2013 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013 £	Land and buildings 2012 £
Expiry date:		
Within one year	-	11,095
Between two and five years		
	<u>-</u>	<u>11,095</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

20 Employees

Group

Number of employees

Administration

2013

23

2012

26

Employment costs

2013

£

2012

£

Wages and salaries

237,789

343,432

Social security costs

16,193

23,243

Other pension costs

1,183

1,250

255,165

367,925

Limited Liability Partnership

Number of employees

There were no employees during the year apart from the members.

21 Control

There is no ultimate controlling party.

22 Information in relation to members

**2013
Number**

**2012
Number**

The average number of members during the year was:

2

2

Group

2013

£

2012

£

The average (loss)/profit per member during the year was:

(2,965,696)

1,034,720

2013

£

2012

£

The share of (loss)/profit to the member with the largest entitlement was:

(3,954,261)

1,379,627

Limited Liability Partnership

2013

£

2012

£

The average loss per member during the year was:

(3,529,472)

(4,039,047)

2013

£

2012

£

The share of loss to the member with the largest entitlement was:

(4,705,963)

(5,385,396)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2013

23 Related party transactions

Limited Liability Partnership

At the year end designated member Lesing Eight Limited was owed £857,000 (2012: £701,250) of working capital by the partnership (see Note 13).