

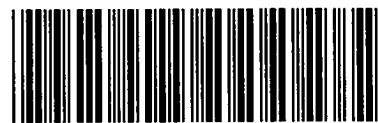
Registration No. OC322570

**MINTON PETERLEE LLP**

**Abbreviated accounts**

**Year ended 31 October 2013**

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COMPANIES HOUSE

**BALANCE SHEET****AT 31 OCTOBER 2013**

	Note	2013 £	2012 £
<b>Fixed assets</b>			
Investment properties	2	<u>1,380,000</u>	<u>1,380,000</u>
<b>Current assets</b>			
Debtors		816,252	813,495
Cash at bank and in hand		<u>26,136</u>	<u>31,393</u>
		842,388	844,888
<b>Creditors: amounts falling due within one year</b>	3	<u>(5,278,464)</u>	<u>(5,303,856)</u>
<b>Net current liabilities</b>		<u>(4,436,076)</u>	<u>(4,458,968)</u>
<b>Total assets less current liabilities and net liabilities attributable to members</b>		<u><u>(3,056,076)</u></u>	<u><u>(3,078,968)</u></u>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Members' capital classified as a liability		374,521	374,521
Other amounts		<u>1,978,612</u>	<u>1,923,598</u>
		2,353,133	2,298,119
<b>Equity</b>			
Members other interests - Revaluation reserve classified as equity		<u>(5,409,209)</u>	<u>(5,377,087)</u>
		<u><u>(3,056,076)</u></u>	<u><u>(3,078,968)</u></u>
<b>Total members' interests</b>			
Loans and other debts due to members		2,353,133	2,298,119
Members' other interests		<u>(5,409,209)</u>	<u>(5,377,087)</u>
		<u><u>(3,056,076)</u></u>	<u><u>(3,078,968)</u></u>

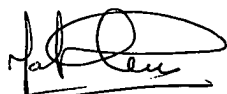
These abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 ("the Act") (as applied by the Limited Liability Partnerships (Accounts and Audit)(Application of the Companies Act 2006) Regulations 2008 ("the Regulations")) applicable to LLPs subject to the small LLPs regime.

For the period ended 31 October 2013 the Limited Liability Partnership was entitled to exemption from the Act's audit requirements under section 477 of the Act (as applied by the Regulations).

The members acknowledge their responsibility for complying with the requirements of the Act (as applied to Limited Liability Partnerships) with respect to accounting records and preparation of accounts.

The abbreviated accounts on pages 1 to 3 were approved by the Members and authorised for issue on 9 October 2014.

Signed on behalf of the Members



M H Gershinson  
Designated member

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**NOTES TO THE ABBREVIATED ACCOUNTS****Year ended 31 October 2013****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships". Compliance with Statement of Standard Accounting Practice ("SSAP") 19 "Accounting for investment properties" requires departure from the requirements of the Companies Act 2006 relating to depreciation and an explanation of the departure is given in the investment properties accounting policy note below. A summary of the more important accounting policies is given below.

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties.

**Going concern**

The financial statements have been prepared on the going concern basis.

As disclosed in note 3, the LLP, together with various related parties, has charged property in favour of a lender that has provided finance to the LLP and some of the related parties. The LLP and the related parties have given cross guarantees to the lender regarding the loans. The LLP and all related parties that have assets charged to the lender are, taken together, exceeding the loan to property value and debt service covenants within the original loan agreements. At 31 October 2013 the total value of the finance provided by the lender exceeded the combined value of the properties and the loan has been classified as a current liability in these financial statements. Following the year end, the lender confirmed, through its appointed agents, in a documented revision setting out conditions upon which loan facilities would continue to be made available ("the Revision"), that, provided, *inter alia*, the conditions in the Revision are met, the lender will not enforce its rights concerning the covenant breaches. The revision is subject to what is expected to be a biennial review process.

The LLP and all related parties with assets charged to the lender have entered into an agreement for the provision of mutual support in respect of all liabilities for a period of at least one year from the date of approval of these financial statements. The LLP and these related parties together have jointly prepared cash flow forecasts extending to October 2015 which demonstrate that these parties together are expected to be able to meet the conditions in the Revision and pay their debts as they fall due for that period.

The Members' best assessment is that the existing facilities will continue to be made available to the LLP and the related parties for a period of at least one year from the date of approval of these financial statements.

The Members have, after careful consideration of the various matters summarised above, concluded that it is appropriate to adopt the going concern basis for the preparation of these financial statements. The financial statements do not include the adjustments that would result if the LLP was unable to continue as a going concern.

**Investment properties**

In accordance with SSAP 19, investment properties are revalued annually. Any surplus or temporary deficit is transferred to the revaluation reserve. Permanent diminutions in value below cost are charged to the profit and loss account. No depreciation is provided in respect of investment properties.

The Companies Act 2006 requires all properties to be depreciated. However, this requirement conflicts with the generally accepted accounting principle set out in SSAP 19. The designated members consider that, as these properties are not held for consumption, but for their investment potential, to depreciate them would not give a true and fair view, and that it is necessary to adopt SSAP 19 in order to give a true and fair view.

If this departure from the Act had not been made, the profit for the financial period would have been decreased by depreciation. However, the amount of depreciation cannot be reasonably quantified because depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified.

## NOTES TO THE ABBREVIATED ACCOUNTS

Year ended 31 October 2013

## 1. ACCOUNTING POLICIES (continued)

## Turnover

Turnover represents management and consultancy fees and gross rental income. Rents receivable include rents invoiced to tenants and rents accrued in accordance with UITF 28, excluding value added tax. Where a property is sold before the date of signing of the accounts, any previous accruals of rent under UITF 28 are reversed in the accounts within turnover. All turnover arises within the United Kingdom.

## 2. INVESTMENT PROPERTIES

Valuation:	£
At 1 November 2012	1,380,000
Additions	32,122
Revaluation	(32,122)
At 31 October 2013	<u>1,380,000</u>
Historical cost convention:	
At 31 October 2013	<u>6,789,209</u>
At 31 October 2012	<u>6,757,087</u>

## 3. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

The bank loans have been classified as a current liability as the LLP is exceeding its loan to property value covenants. Note 1 provides more details of this matter, including details of the revisions to the original loan agreements.

The bank loans are secured on properties included in investment properties and by fixed and floating charges over the assets and undertaking of the LLP and a cross-guarantee covering other related parties. Further loans held by other related parties of £35,181,279 (2012 - £37,454,989), are also secured by the properties included in investment properties (in conjunction with additional security provided by other properties held by other related parties).