

HAWKSTONE PROPERTIES (HEREFORD) LLP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2018



HAWKSTONE PROPERTIES (HEREFORD) LLP

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 6

HAWKSTONE PROPERTIES (HEREFORD) LLP
REGISTERED NUMBER: OC325657

BALANCE SHEET
AS AT 5 APRIL 2018

	Note	2018 £	2017 £
Current assets			
Stocks		775,000	1,000,000
Debtors	4	8,116	18,496
Cash at bank		25,109	55,572
		<u>808,225</u>	<u>1,074,068</u>
Creditors: Amounts Falling Due Within One Year	5	(337,502)	(384,219)
Net current assets		<u>470,723</u>	<u>689,849</u>
Total assets less current liabilities		<u>470,723</u>	<u>689,849</u>
Creditors: amounts falling due after more than one year	6	(2,308,894)	(2,339,551)
Net liabilities		<u>(1,838,171)</u>	<u>(1,649,702)</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		100	100
Members' other interests			
Accumulated losses		(1,838,271)	(1,649,802)
		<u>(1,838,171)</u>	<u>(1,649,702)</u>
Total members' interests			
Amounts due from members (included in debtors)	4	(7,196)	(7,196)
Loans and other debts due to members	7	100	100
Members' other interests		(1,838,271)	(1,649,802)
		<u>(1,845,367)</u>	<u>(1,656,898)</u>

BALANCE SHEET (CONTINUED)
AS AT 5 APRIL 2018

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 12 December 2018.

A handwritten signature in black ink, appearing to read 'P. R. Noott', with a stylized flourish at the end.

Mr P. R. Noott
Designated member

The notes on pages 3 to 6 form part of these financial statements.

HAWKSTONE PROPERTIES (HEREFORD) LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018

1. General information

Hawkstone Properties (Hereford) LLP ("the LLP") is a limited liability partnership incorporated and domiciled in England. The address of its registered office and principal place of business is 135 Worcester Road, Hagley, West Midlands, DY9 0NW.

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" (published in 2014).

The following principal accounting policies have been applied:

2.2 Going concern

In the opinion of the members, continued financial support from the bank will be available such that the LLP will continue trading and satisfy its financial commitments.

On the basis of this opinion, the financial statements have been prepared on a going concern basis. If, for whatever reason, the necessary financial support is not forthcoming, then this basis may be inappropriate.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.4 Stocks

Stocks consist of freehold properties and are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of comprehensive income.

2.5 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.

2.6 Financial instruments

The LLP only enters into basic financial instruments 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 and loans to related parties.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2018**

2. Accounting policies (continued)**2.7 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.

2.8 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

3. Employees

There were no employees other than the members during the year (2017: Nil).

4. Debtors

	2018	2017
	£	£
Trade debtors	-	5,300
Amounts owed by group undertakings	-	6,000
Other debtors	275	-
Prepayments and accrued income	645	-
Amounts due from members	7,196	7,196
	8,116	18,496

HAWKSTONE PROPERTIES (HEREFORD) LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018

5. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank loan	30,250	30,250
Trade creditors	12,671	14,041
Amounts owed to related parties	267,334	287,334
Other taxation and social security	3,905	4,608
Accruals and deferred income	23,342	47,986
	<u>337,502</u>	<u>384,219</u>

The bank loan is secured over a first fixed charge over the legal and beneficial interests in the LLP's property; a floating charge over all of the assets of the LLP; and assignment of all rent receivable in respect of the LLP's property; a cross company guarantee from Hawkstone Properties (Wolverhampton) LLP, Vilais (Twister) LLP and Vilais (Coombs Wood) LLP; and an assignment of keyman insurance.

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

	2018 £	2017 £
Bank loan	<u>2,308,894</u>	<u>2,339,551</u>

The bank loan is secured over a first fixed charge over the legal and beneficial interests in the LLP's property; a floating charge over all of the assets of the LLP; and assignment of all rent receivable in respect of the LLP's property; a cross company guarantee from Hawkstone Properties (Wolverhampton) LLP, Vilais (Twister) LLP and Vilais (Coombs Wood) LLP; and an assignment of keyman insurance.

7. Loans and other debts due to members

	2018 £	2017 £
Members' capital treated as debt	<u>100</u>	<u>100</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up. The members hereby confirm that the amount of capital that each member is required to subscribe may only be withdrawn when he or she ceases to be a member.

The members' capital as defined in the partnership agreement has been classified as a liability of the LLP in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (published in 2014).

HAWKSTONE PROPERTIES (HEREFORD) LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2018

8. Contingent liabilities

The LLP is party to cross-guarantees with Hawkstone Properties (Wolverhampton) LLP, Vilais (Coombs Wood) LLP and Vilais (Twister) LLP. These only come into effect, if required, on the earlier of a) the sale of the LLP's property; and b) the termination or expiry of the term of the facilities. The cross guarantee is limited to the capital profit share after deductions for selling expenses and related taxation.