

ABD Developments LLP

Members' report and financial statements
for the year ended 30 April 2012

Registered number OC331537

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ABD Developments LLP

Members' report and financial statements for the year ended 30 April 2012

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ABD Developments LLP

Members' report for the year ended 30 April 2012

The members present their report and audited financial statements of ABD Developments Limited Liability Partnership ("LLP") for the year ended 30 April 2012

Principal activities

The principal activity of the LLP is that of commercial and residential property development. These principal activities are not expected to change in the foreseeable future.

Review of the business

To date the LLP's principal activity has been the process of delivery of a 130 bed hotel in Stratford on Avon. A deal has been agreed for ABD Developments LLP to complete construction of the hotel on behalf of a fund. The hotel is pre-let to a major operator.

Construction work commenced in October 2010 and practical completion was achieved on 27 January 2012 and this event triggers completion of the pre sale. The LLP also owns an adjoining piece of land and is currently in discussions with the planning authority to obtain planning permission for a mixed use development.

It is considered that sufficient funds are in place to complete the development and that all expectations are that it will be profitable for the LLP.

Financial risk management

Due to the size of the LLP and the limited range and number of transactions, the members do not feel that financial risk management disclosures are relevant. The LLP operations do not expose it to any significant risks such as credit risk or liquidity risk. The LLP does not require a formal risk management programme and given the size of the LLP, the members have not delegated the responsibility of monitoring financial risk management to a sub-committee of the membership committee.

Designated members

The designated members of ABD Developments LLP are

Deeley Estates (Stratford) Limited
The Henley Estate Company Limited
The Bird Group of Companies Limited

Each member has chosen to appoint the following representatives in line with the LLP agreement, these are

P A W Deeley
D Austin
T Bird

Members profit shares and drawings

The profits and losses of the LLP, after allowing for interest payments, shall be shared equally between the members. There is no members capital (2011 £nil).

ABD Developments LLP

Members' report for the year ended 30 April 2012 (continued)

Members responsibilities

The members are responsible for preparing the members' report and financial statements in accordance with applicable law and regulation

The Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008* require the members to prepare financial statements for each financial year. Under these regulations 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 these regulations 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 period.

In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and 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 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, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (*Accounts and Audit*) (*Application of the 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.

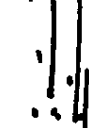
Statement of disclosure of information to auditors

All of the current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

Auditors

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

By order of the members



P A W Deeley
Representative of the membership committee

/ Date 25.1.2013

Independent auditors' report to the members of ABD Developments LLP

We have audited the financial statements of ABD Developments LLP for the year ended 30 April 2012 which comprise the profit and loss account, the balance sheet and the related notes. 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 the Limited Liability Partnerships (Accounts and Audit) (Application of the 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 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 partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the statement of members' responsibilities, the members are 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 limited liability partnership's affairs as at 30 April 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

Opinion on other matters

In our opinion the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report to the members of ABD Developments LLP (continued)

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 as applied to limited liability partnerships 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,
- we have not received all the information and explanations we require for our audit, or
- the members were not entitled to prepare financial statements in accordance with the small limited liability partnership's regime

BDO LLP

*Mark Anslow (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
United Kingdom*

Date *29.01.13*

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

ABD Developments LLP

Profit and loss account for the year ended 30 April 2012

	Notes	2012 £	2011 £
Turnover	1	5,552,425	2,095,226
Cost of sales <i>(includes exceptional costs of £347,273 (2011 £nil))</i>	2	(5,575,546)	(2,081,666)
Gross (loss)/profit		(23,121)	13,560
Administrative expenses		(478)	(7,184)
Operating (loss)/profit	2	(23,599)	6,376
Interest receivable and similar income		50	-
Interest payable and similar charges	4	-	(3,915)
(Loss)/profit on ordinary activities before taxation		(23,549)	2,461
(Loss)/profit for the financial year before members' remuneration and profit shares and available for distribution among members	10	(23,549)	2,461

No members received any salaries or remuneration

The results above are in respect of continuing operations

There is no material difference between the (loss)/profit on ordinary activities before taxation and the (loss)/profit for the year stated above and their historical cost equivalents

There are no recognised gains or losses other than as stated in the profit and loss account, therefore no separate statement of recognised gains and losses has been presented

The notes on page 8 to 12 form an integral part of these accounts

ABD Developments LLP

Balance sheet as at 30 April 2012

Registered Number OC331537

	Notes	2012 £	2011 £
Current assets			
Stock	7	902,241	1,239,831
Debtors	8	21,603	414,044
Cash at bank		70,719	124,644
		994,563	1,778,519
Creditors: amounts falling due within one year	9	(1,029,895)	(1,790,302)
Net current liabilities		(35,332)	(11,783)
Net liabilities		(35,332)	(11,783)
Members' interests			
Members' capital	10	-	-
Other reserves	10	(35,332)	(11,783)
Total members' deficits	10	(35,332)	(11,783)

ABD Developments LLP

Balance sheet (continued) as at 30 April 2012

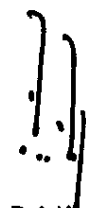
Registered Number OC331537

	Notes	2012	2011
		£	£
Total members' interests			
Members' capital	10	-	-
Other reserves	10	(35,332)	(11,783)
Loans and other debts due to members (included in current liabilities)	10	750,000	1,478,422
Total members interests	10	714,668	1,466,639

These financial statements have been prepared in accordance with the provisions applicable to entities subject to the small entities' regime

The financial statements were approved on behalf of the members of ABD Developments LLP and authorised for issue on

25.1.2013



P A W Deeley
Representative of Deeley Estates (Stratford) Limited

Date *25.1.2013*

D Austin
Representative of The Henley Estate
Company Limited



Date *25.1.2013*

The notes on page 8 to 12 form an integral part of these accounts

ABD Developments LLP

Notes to the financial statements for the year ended 30 April 2012

1 Principal accounting policies

The financial statements are prepared in accordance with United Kingdom Companies Act 2006 applicable to Limited Liability Partnerships, in accordance with applicable United Kingdom accounting standards and the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. They have been prepared on the historical cost basis of accounting. The particular applicable accounting policies adopted have been applied consistently in dealing with items which are considered material in relation to the financial statements and are described below.

The basis of the Limited Liability Partnership's financing is set out in note 10 to the financial statements.

Going concern

The LLP recorded a loss of £23,549 for year ended 30 April 2012 and had net liabilities of £35,332 as at that date.

The loss for the year is after providing for a net realisable value deduction against stock of £347,273.

Of the net liabilities £750,000 represents loans from the three partners. These will not be demanded within twelve months from signing these accounts.

The LLP owns a land stock and the directors are currently in discussions with the planning authority to obtain planning permission for a mixed use development with a view to reversing the net liability position.

On this basis the members consider it appropriate to prepare the accounts on a going concern basis.

Cash flow statement

The LLP has taken advantage of the exemption for small LLP's from preparing a cash flow statement under the Companies Act 2006.

Taxation

The activities of the LLP do not give rise to a taxation charge or credit in the LLP, since the taxation liability is reflected in the accounts of the members according to their membership share.

Turnover

Turnover consists of the value of goods and services supplied to third parties in the year (excluding VAT). All turnover arises in the United Kingdom from the principal activity of the LLP. In the case of property developments undertaken by the company, sales and profits are recognised at the date of legal completion.

Allocation of profits and drawings

The profits and losses of the LLP, after allowing for interest payments, shall be shared equally between the three members.

ABD Developments LLP

Notes to the financial statements for the year ended 30 April 2012 (continued)

1 Principal accounting policies (continued)

Land held for development

Land held for development is stated at the lower of cost and net realisable value. The cost of land held for development comprises materials, finance costs, direct labour and attributable overheads. Provision is made against properties where it is believed the cost cannot be fully recovered.

Interest on capital borrowed to finance land and development work in progress is capitalised in land held for development to the extent that it accrues in respect of the period of development.

2 Operating (loss)/profit

	2012	2011
	£	£
Operating (loss)/profit is arrived at after charging		
Auditors' remuneration (inclusive of out of pocket expenses)		
Audit services	2,500	2,500

Included within cost of sales is an exceptional cost of £347,273 (2011: £nil) in respect of write of stock.

3 Members and employees

The LLP has no employees and its members do not draw any fees (2011: £nil).

There were no members' emoluments during the year (2011: £nil).

4 Interest payable and similar charges

	2012	2011
	£	£
Bank loans and overdrafts	-	3,915
	-	3,915

ABD Developments LLP

Notes to the financial statements for the year ended 30 April 2012 (continued)

5 Taxation on (loss)/profit on ordinary activities

The financial statements do not incorporate any charge or credit for taxation on the results of the LLP, as the relevant income tax is the responsibility of individual members

6 Members' profit shares

	2012	2011
Average number of members	3	3

The Statement of Recommended Practice, Accounting for Limited Liability Partnerships, requires that the average loss per member is calculated by dividing the loss for the financial year before members' remuneration and shares, by the average number of members

	2012	2011
	£	£
Average (loss)/profit per member	(7,850)	821

The total members deficit in the business, represented by members' capital net of cumulative losses at 30 April 2012, divided by the number of members at that date, amounts to £11,777 (2011 £3,927) The total investment in the business in respect of all members, at 30 April 2012, amounts to £750,000 (2011 £741,639) of which £250,000 (2011 £249,495) relates to Deeley Estates (Stratford) Limited, £250,000 (2011 £246,072) relates to The Henley Estate Company Limited and £250,000 (2011 £246,072) relates to The Bird Group of Companies Limited

7 Stock

	2012	2011
	£	£
Land and development work in progress	902,241	1,239,831

ABD Developments LLP

Notes to the financial statements for the year ended 30 April 2012 (continued)

8 Debtors

	2012	2011
	£	£
Trade debtors	-	292,718
Other taxation and social security	3,426	-
Other debtors	14,913	120,955
Prepayments and accrued income	3,264	371
	21,603	414,044

9 Creditors: amounts falling due within one year

	2012	2011
	£	£
Bank loans and overdraft	265,000	-
Amounts due to members	750,000	1,478,422
Other taxation and social security	-	1,784
Trade creditors	2,183	291,442
Accruals and deferred income	12,712	18,654
	1,029,895	1,790,302

The bank loan is secured by a first legal charge over the LLP's freehold property and by a guarantee of £50,000 from each of the members. Interest is charged at 2.5% over LIBOR.

Amounts due to members are in respect of unsecured loans from Deeley Estates (Stratford) Limited, The Henley Estate Company Limited and The Bird Group of Companies Limited. These movements on these borrowings have been analysed within note 10.

Whilst the Joint Venture agreement provides for non compound interest to accrue at 2.5% per annum, the parties have subsequently clarified the interpretation of the agreement such that no liability shall crystallise until such time as sufficient profits are generated from the development and therefore, in view of the losses being incurred, no interest has been recognised in these financial statements. The substance of the transactions are considered to represent an adjustment to the basis of sharing profits and accordingly will be recognised as an appropriation when sufficient profits are generated. The unrecognised amounts accruing to Deeley Estates (Stratford) Limited, The

ABD Developments LLP

Notes to the financial statements for the year ended 30 April 2012 (continued)

10 Members' interests

	Members' capital	Other reserves	Loans and other debts due to members	Total
	£	£	£	£
At 1 May 2011	-	(11,783)	1,478,422	1,466,639
Loss for the financial year allocated to members	-	(23,549)	-	(23,549)
Members' interests after loss for the year	-	(35,332)	1,478,422	1,443,090
Repaid to members	-	-	(728,422)	(728,422)
Members' interests at 30 April 2012	-	(35,332)	750,000	714,668

11 Contingent liabilities

As more fully explained in note 9, there is a contingent obligation to pay interest to the members totalling £ 51,065 (2011 £28,489)

12 Related party transactions

Deeley Estates (Stratford) Limited, The Henley Estate Company Limited and The Bird Group of Companies Limited have provided current account balances for working capital requirements amounting to £250,000, £250,000 and £250,000 (2011 £253,422, £250,000 and £975,000 respectively)

There were no other related party transactions

13 Parent undertakings

Deeley Estates (Stratford) Limited, The Henley Estate Company Limited and The Bird Group of Companies Limited are all equal members. All three of the companies are registered in England and Wales and copies of their financial statements are available from the Registrar of Companies, Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ