

REGISTERED NUMBER OC341607

JOHAL PROPERTIES LEICESTER LLP
FINANCIAL STATEMENTS
31 MARCH 2013

MURAS BAKER JONES LLP
Chartered Accountants & Statutory Auditors
Regent House
Bath Avenue
Wolverhampton
West Midlands
WV1 4EG

TUESDAY



A14 "A2NXADV5" #111
24/12/2013
COMPANIES HOUSE

JOHAL PROPERTIES LEICESTER LLP

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

CONTENTS	PAGES
Designated members and advisors	1
Members' report	2 to 3
Independent auditor's report to the members	4 to 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 to 12
The following pages do not form part of the financial statements	
Detailed profit and loss account	14
Notes to the detailed profit and loss account	14

JOHAL PROPERTIES LEICESTER LLP

DESIGNATED MEMBERS AND ADVISORS

Designated members	Mr I S Johal STM Fidecs Trust Company Limited Stepford Services Limited
Registered office	Coalbourn Cottage Whitwick Road Markfield Leicestershire LE67 9QB
Auditor	Muras Baker Jones LLP Chartered Accountants & Statutory Auditor Regent House Bath Avenue Wolverhampton West Midlands WV1 4EG

JOHAL PROPERTIES LEICESTER LLP

MEMBERS' REPORT

YEAR ENDED 31 MARCH 2013

The members present their report and the financial statements of the LLP for the year ended 31 March 2013

PRINCIPAL ACTIVITIES

The principal activity of the limited liability partnership is that of property investments

RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The profit for the year available for distribution to members was £277,798 (2012 £(101,984))

DESIGNATED MEMBERS

The following were designated members during the year

Mr I S Johal
STM Fidecs Trust Company
Limited
Stepford Services Limited

POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND SUBSCRIPTION AND REPAYMENTS OF AMOUNTS SUBSCRIBED OR OTHERWISE CONTRIBUTED BY MEMBERS

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members

MEMBERS' RESPONSIBILITIES

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

Company law as applied to limited liability partnerships 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 to limited liability partnerships 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 LLP and of the profit or loss of the LLP for that year.

In preparing these financial statements, the members are required to

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

JOHAL PROPERTIES LEICESTER LLP

MEMBERS' REPORT *(continued)*

YEAR ENDED 31 MARCH 2013

AUDITOR

Muras Baker Jones LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008

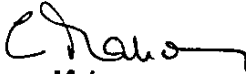
Each of the persons who is a member at the date of approval of this report confirm that


- so far as each member is aware, there is no relevant audit information of which the LLP's auditor is unaware, and
- each member has taken all steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information

SMALL LLP PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime (as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008)

Signed on behalf of the members


Carey Mahony
For and on behalf of
STM Fidco Trust Company Limited
Designated member


Janet S. Orrell
FOR AND ON BEHALF OF
STEPFORD SERVICES LIMITED
Designated member

Approved by the members on 20 December 2013

JOHAL PROPERTIES LEICESTER LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHAL PROPERTIES LEICESTER LLP

YEAR ENDED 31 MARCH 2013

We have audited the financial statements of Johal Properties Leicester LLP for the year ended 31 March 2013 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the LLP's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006 as applied to limited liability partnerships 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 LLP'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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITOR

As explained more fully in the Members' Responsibilities Statement set out on page 2, 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 Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the LLP's affairs as at 31 March 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, 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 Companies Act 2006) Regulations 2008.

JOHAL PROPERTIES LEICESTER LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JOHAL PROPERTIES LEICESTER LLP *(continued)*

YEAR ENDED 31 MARCH 2013

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

Oliver Ross BSc(Hons) FCA (Senior Statutory Auditor)
For and on behalf of
MURAS BAKER JONES LLP
Chartered Accountants
& Statutory Auditor

Regent House
Bath Avenue
Wolverhampton
West Midlands
WV1 4EG

20 December 2013

JOHAL PROPERTIES LEICESTER LLP

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2013

	Note	2013 £	2012 £
TURNOVER		577,351	557,272
Administrative expenses		36,540	446,605
OPERATING PROFIT	2	540,811	110,667
Interest receivable		142	100
Interest payable and similar charges		(263,155)	(212,751)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		277,798	(101,984)

The notes on pages 8 to 12 form part of these financial statements

JOHAL PROPERTIES LEICESTER LLP

BALANCE SHEET

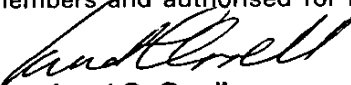
31 MARCH 2013

	Note	2013 £	2012 £
FIXED ASSETS			
Tangible assets	4	<u>11,169,118</u>	<u>11,113,918</u>
CURRENT ASSETS			
Debtors	5	1,023,937	529,303
Cash at bank		<u>132,080</u>	<u>283,827</u>
		1,156,017	813,130
CREDITORS: Amounts falling due within one year	6	<u>8,703,536</u>	<u>8,495,114</u>
NET CURRENT LIABILITIES		(7,547,519)	(7,681,984)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,621,599</u>	<u>3,431,934</u>
CREDITORS: Amounts falling due after more than one year	7	3,648,845	3,736,978
NET LIABILITIES ATTRIBUTABLE TO MEMBERS		<u>(27,246)</u>	<u>(305,044)</u>
REPRESENTED BY:			
Loans and other debts due to members			
Other amounts	9	<u>(27,246)</u>	<u>(305,044)</u>
EQUITY			
Members' other interests - members' capital	10	-	-
Members' other interests - other reserves	10	-	-
		<u>-</u>	<u>-</u>
		<u>(27,246)</u>	<u>(305,044)</u>
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	9	(27,246)	(305,044)
Members' other interests	10	-	-
		<u>(27,246)</u>	<u>(305,044)</u>

This financial statements have been prepared in accordance with the provisions applicable to LLPs subject to the small companies regime (as applied to The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved by the members and authorised for issue on 20 December 2013 and are signed on their behalf by


Carey Mahony
Designated member


Janet S. Orrell
Designated member

Registered Number OC341607

The notes on pages 8 to 12 form part of these financial statements.

JOHAL PROPERTIES LEICESTER LLP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1 ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of financial instruments, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in March 2010 (SORP 2010)

(b) Rental income

Rental income is wholly attributable to the principal activity of the Limited Liability Partnership and arises solely within the UK

(c) Investment properties

The investment properties are revalued by the members, to open market value annually. Surpluses or deficits on the properties are transferred to the investment revaluation reserve, unless a deficit (or its reversal) is expected to be permanent, in which case, it is charged (or credited) to the profit and loss account. Depreciation is not charged in respect of investment properties.

(d) Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

No depreciation is provided on investment properties. This treatment is a departure from the Companies Act 2006 concerning depreciation of fixed assets. However, these properties are not held for consumption but investment and therefore the members consider that systematic annual depreciation would be inappropriate. Therefore the accounting policy adopted is necessary for the accounts to give a true and fair view. The effect of this departure from the Companies Act 2006 has not been qualified because it is impracticable and, in the opinion of the members, would be misleading.

JOHAL PROPERTIES LEICESTER LLP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

1 ACCOUNTING POLICIES *(continued)*

(F) Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits)

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with FRS 25 (IAS 32) Financial Instruments Disclosure and Presentation and UITF abstract 39 Members' shares in co-operative entities and similar instruments. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Profit and Loss Account and are equity appropriations in the Balance Sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the Balance Sheet within 'Loans and other debts due to members' and are charged to the Profit and Loss Account within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Balance Sheet within 'Members' other interests'.

2. OPERATING PROFIT

Operating profit is stated after charging

	2013	2012
	£	£
Depreciation of owned fixed assets	-	296,338
Auditor's fees	<u>300</u>	<u>1,950</u>

3 INFORMATION IN RELATION TO MEMBERS

	2013	2012
	No	No
The average number of members during the year was	<u>3</u>	<u>3</u>

JOHAL PROPERTIES LEICESTER LLP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

3 INFORMATION IN RELATION TO MEMBERS *(continued)*

	2013 £	2012 £
The average members remuneration during the year was	<u>-</u>	<u>-</u>

4. TANGIBLE FIXED ASSETS

	Freehold Investment Property £
COST	
At 1 April 2012	11,694,025
Additions	<u>55,200</u>
At 31 March 2013	<u>11,749,225</u>
IMPAIRMENT	
At 1 April 2012 and 31 March 2013	<u>580,107</u>
NET BOOK VALUE	
At 31 March 2013	<u>11,169,118</u>
At 31 March 2012	<u>11,113,918</u>

The investment property has been valued by the members at open market value as at the year end

5. DEBTORS

	2013 £	2012 £
Trade debtors	1,011,023	492,556
Other debtors	2,325	27,950
Prepayments and accrued income	<u>10,589</u>	<u>8,797</u>
	<u>1,023,937</u>	<u>529,303</u>

JOHAL PROPERTIES LEICESTER LLP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

6. CREDITORS Amounts falling due within one year

	2013 £	2012 £
Bank loans	6,114,762	6,071,253
Trade creditors	30,435	19,885
VAT	28,398	-
Other creditors	2,527,823	2,391,296
Accruals and deferred income	2,118	12,680
	<u>8,703,536</u>	<u>8,495,114</u>

In the previous year a loan of £3,800,000 was taken out, which is secured against the investment property owned by the company, giving the lender first legal charge over the assets

The other loans do not have repayment terms, and interest is charged at the greater of 1 5% above base or the official rate capped at 2% above base

7 CREDITORS Amounts falling due after more than one year

	2013 £	2012 £
Bank loans	<u>3,648,845</u>	<u>3,736,978</u>

8 RELATED PARTY TRANSACTIONS

As at 31 March 2013 a loan of £13,361 (2012 - £13,631) was outstanding to Inderjit Johal (settlor of The Inderjit Johal 2005 Family Trust)

At 31 March 2013 the balance of loans received in a previous period of £4,129,382 (2012 - £4,107,680) were due to Twilight Overseas Services Limited, a company which is ultimately related by the common control of Inderjit Johal During the year loan repayments of £32,034 were made Interest of £53,736 (2012 - £53,389) has been charged on the loans

Interest of £85,397 (2012 - £83,937) has been charged on a loan of £3,950,000 received in a previous period from STM Fidec Trust, a company which is ultimately related by common control of Inderjit Johal At 31 March 2013 £4,323,377 (2012 - £4,237,980) was due to STM Fidec Trust Company Limited The loan is repayable 30 days after demand and interest is payable at 1 5% above base rate

In addition, the company made purchases from STM Fidec Trust Company Limited of £8,496 (2012 - £nil) At 31 March 2013 a balance of £4,771 was due to the company (2012 - £nil)

During the year the LLP made purchases of £nil (2012 - £3,694,279) and also received rental and insurance income of £431,250 (2012 - £410,853) from Crownline Property Development Limited, a company owned by Inderjit Johal At 31 March 2013 the company was owed £1,005,000 (2012 - £495,831) by Crownline Property Development Limited

During the year the LLP also made purchases of £55,200 (2012 - £33,333) from Bright Developments Limited, a company owned by Inderjit Johal

At 31 March 2013 the ultimate controlling party was The Inderjit Johal 2005 Family Trust

JOHAL PROPERTIES LEICESTER LLP

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2013

9 LOANS AND OTHER DEBTS DUE TO MEMBERS

	2013 £	2012 £
Amounts owed to members in respect of profits	<u>(27,246)</u>	<u>(305,044)</u>

10 MEMBERS' INTERESTS

	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total members' other interests £	Loans and other debts due to members £	Total £
Balance at 1 April 2012	-	-	-	(305,044)	(305,044)
Profit for the financial year available for discretionary division amongst members	-	277,798	277,798	-	277,798
Members' interests after profit for the year	-	277,798	277,798	(305,044)	(27,246)
Other division of profits		(277,798)	(277,798)	277,798	-
Balance at 31 March 2013	-	-	-	(27,246)	(27,246)