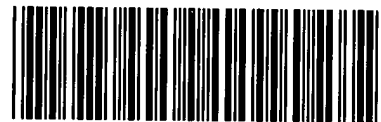


Stanley Dock (All Suite) Regeneration LLP
Unaudited Report and Financial Statements
for the year ended 5 April 2023

Registered Number OC372514

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COMPANIES HOUSE

Stanley Dock (All Suite) Regeneration LLP

Contents	Page
General information	1
Report of the Members	2
Statement of Board Members' responsibilities	3
Income statement	4
Statement of financial position	5-6
Notes to the financial statements	7-12

Stanley Dock (All Suite) Regeneration LLP

General Information

Registered office: 71 Queen Victoria Street
London
EC4V 4BE

Designated Members: Scott Cormack
Malcolm Cruickshanks
John Whitworth

Fund Administrators NCM Fund Services Ltd
Fourth Floor
7 Castle Street
Edinburgh
EH2 3AH

Stanley Dock (All Suite) Regeneration LLP Report of the Members

The Members present the annual report together with the financial statements of Stanley Dock (All Suite) Regeneration LLP (the LLP) for the year ended 5 April 2023.

Activities

The LLP was incorporated on 16 February 2012 and its principal activity is that of commercial property refurbishment and rental.

Results for the year

The profit for the year, before division amongst Members was £28,931 (2022: £2,326,017 loss).

The results for the year to 5 April 2023 are set out in the accompanying financial statements and attached notes.

The Deed of Settlement and Agreement, addressing the impact of Covid restrictions on the Partnership, was signed on 21st October 2021 and implemented. Following this the hotel returned to normal operation following the easing of Covid-19 restrictions resulting in rental income of £1.8m for the year to 5th April 2023.

The LLP successfully refinanced the Bank of Ireland facility during the period and made significant progress with regards to the members dispute with HMRC. Administrative costs increased with the additional legal costs involved in these processes. The interest cost of the new facility is significantly higher than the prior facility reflecting increased Bank of England base rates. The refinancing occurred in November 2022 and as such the interest expense is a combination of the two different rates. The Administrative costs of £0.9m combined with interest costs of £0.9m resulted in an operating profit before Designated Members remuneration and revaluation of the Partnerships interest in the hotel of £0.08m.

Members' Interests

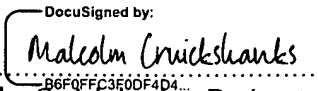
All Members are equity Members and share in the profits and losses of the LLP.

Designated Members

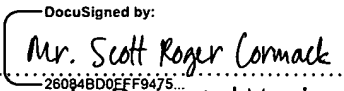
The Designated Members of the LLP during the year ended 5 April 2023 were as follows:

John Whitworth
Scott Cormack
Malcolm Cruickshanks

This report was approved by the Designated Members on 18th December 2023 and signed on their behalf by:

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Malcolm Cruickshanks - Designated Member

Date **18 December 2023**

DocuSigned by:

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Scott Cormack – Designated Member

Date **18 December 2023**

Stanley Dock (All Suite) Regeneration LLP Statement of Members' responsibilities

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to 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 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; and
- 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 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. 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.

These responsibilities are exercised by the Designated Members on behalf of the Members.

Stanley Dock (All Suite) Regeneration LLP
Income Statement
For the year ended 5 April 2023

	Note	£ 2023	£ 2022
TURNOVER	2	1,805,849	1,354,987
Administrative expenses		(866,261)	(332,830)
OPERATING PROFIT		<u>939,588</u>	<u>1,022,157</u>
Interest payable and similar charges	2	(860,657)	(683,591)
Profit for the financial year before Members' remuneration		<u>78,931</u>	<u>338,566</u>
Revaluation Losses		-	(2,700,000)
Designated Members' remuneration charged as an expense		50,000	35,417
Profit/(Loss) for the financial year		<u><u>28,931</u></u>	<u><u>(2,326,017)</u></u>

The operating profit for the year arises from the LLP's continuing operations.

There were no recognised gains or losses other than the profit for the year.

The notes on pages 7 to 12 form part of these financial statements.

Stanley Dock (All Suite) Regeneration LLP
Statement of Financial Position
as at 5 April 2023

	Note	2023 £	2022 £
Fixed assets			
Investment properties	2,4	27,600,000	27,600,000
Current assets			
Debtors	5	9,372	145,168
Cash at bank		1,432,243	1,174,681
		<u>1,441,615</u>	<u>1,319,849</u>
Creditors: Amounts falling due within one year	2,6	<u>(4,455,800)</u>	<u>(19,372,865)</u>
Net current assets		<u>(3,014,185)</u>	<u>(18,053,016)</u>
Creditors: Amounts falling due after more than one year	7	(15,009,900)	-
Net assets attributable to Members of the LLP		<u>9,575,915</u>	<u>9,546,984</u>
Represented by			
Loans and other debts due to members			
Loans and other debts due to Members		<u>79,780</u>	<u>79,780</u>
Members' other interests			
Members' capital classified as equity		10,100,000	10,100,000
Members' other interests - reserves		<u>(603,865)</u>	<u>(632,796)</u>
		<u>9,496,135</u>	<u>9,467,204</u>
Total Members' interests			
Loans and other debts due to Members		79,780	79,780
Members' other interests		9,496,135	9,467,204
	2,8	<u>9,575,915</u>	<u>9,546,984</u>

The LLP is entitled to exemption from audit under Section 477 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 for the year ended 5 April 2023.


The Members acknowledge their responsibility for

- ensuring that the LLP keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 as applied to LLPs by the the Limited Liability Partnership (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 and
- preparing financial statements which give a true and fair view of the state of the affairs of the LLP as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to financial statements, so far as applicable to the LLP.

Stanley Dock (All Suite) Regeneration LLP
Statement of Financial Position (continued)
as at 5 April 2023

These financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to small LLPs and in accordance with Section 1A of FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Practice applicable to Small Entities)'.

The financial statements were approved by the designated Members and authorised for issue on 18th December 2023.

DocuSigned by:

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Malcolm Cruickshanks – Designated Member

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Scott Cormack – Designated Member

Stanley Dock (All Suite) Regeneration LLP
Limited Liability Partnership no : OC372514

The notes on pages 7 to 12 form part of these financial statements.

Stanley Dock (All Suite) Regeneration LLP

Notes to the financial statements

For the year ended 5 April 2023

1 ACCOUNTING POLICIES

1.1 General information

Stanley Dock (All Suite) Regeneration LLP is a limited liability partnership registered in England and is governed by the LLP deed dated 5 April 2012.

These financial statements are presented in pounds sterling (GBP) as this is the currency in which all of the LLP's transactions are denominated (its functional currency).

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with Section 1A "Small Entities" of FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Practice applicable to Small Entities)' and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships.

1.3 Going Concern

Whilst there continue to be significant uncertainties which may impact the operation of the LLP, the Designated Members are satisfied that the actions taken as described in Note 2 significantly mitigate these. The Designated Members are confident, based on non-binding indications from Members of sufficient support from members for a capital injection, that the LLP has adequate availability of funding to meet its liabilities.

The Designated Members therefore believe that it is appropriate to adopt the going concern basis in preparing these financial statements.

1.4 Investment Properties

Investment properties, which are properties held for investment and not for consumption, are initially recognised at cost of acquisition, and subsequently held at cost of acquisition plus capitalisation of renovation costs at each reporting date. This is a departure from the requirement of the Section 1A of FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Practice applicable to Small Entities)' which requires investment properties to be measured at fair value at the reporting date with the valuation movement being taken through the statement of comprehensive income.

The carrying value of the investment property is reviewed periodically by the Designated members, when third party valuations have not been carried out. Where such a review or third party valuation identifies a change to the carrying value of the asset this movement is taken to Income Statement in the period it is identified in accordance with Section 1A of FRS102. The Designated members are satisfied that there has been no material change to the carrying value of the investment property since the valuation prepared by Jones Lang LaSalle Ltd in November 2022.

1.5 Members' Interests

Members' interests are classified as either equity or a liability of the LLP in order to reflect their participation rights, based on the terms of the LLP agreement. There are no restrictions or limitations on the ability of Members to reduce the amount of Members' other interests.

Stanley Dock (All Suite) Regeneration LLP

Notes to the financial statements (cont'd)

For the year ended 5 April 2023

1 ACCOUNTING POLICIES (cont'd)

1.6 Revenue recognition

Rental income net of VAT, comprising of turnover rent and commercial rent, is charged to the profit and loss account on a quarterly basis. The year end is not co-terminus with a quarter end, therefore adjustments are made to ensure that the correct proportion for the year is included in the accounts.

1.7 Taxation

No provision is made for taxation within these financial statements as all tax liabilities are directly attributable to the Members.

2 MATERIAL UNCERTAINTIES

The Designated Members consider that there are a number of material uncertainties in relation to the financial affairs of the LLP which remain unresolved and which, once resolved, may affect certain information set out in these financial statements. These uncertainties are interrelated but fall into the following three categories:

1. **Developer loan amount** – the amount outstanding and owed by the LLP under the developer loan agreement dated 5 April 2012 is currently in dispute. The Designated Members consider that the amount owed by the LLP may be lower than the amount currently stated in these financial statements and are currently in ongoing discussions with the lender to determine and agree the definitive principal amount outstanding. If it is agreed between the LLP and the lender that the principal amount outstanding under the loan agreement is less than currently stated in these financial statements, the amount outstanding under the developer loan as set out above will need to be reduced accordingly.
2. **Historic rent adjustments** – the Designated Members consider that the turnover rent payable by the LLP's tenant pursuant to the underlease of the hotel dated 26 March 2015 granted to such tenant by the LLP has, historically, not been calculated correctly in accordance with the terms of the lease, which has resulted in underpayments by the tenant to the LLP. The LLP is currently in ongoing discussions with the tenant to determine the extent of any such underpayments. If it is agreed between the LLP and the tenant that there have been historic underpayments of rent to the LLP, including in respect of the financial year ended 5 April 2023, certain figures set out in these financial statements will need to be adjusted accordingly.
3. **Indemnity** – pursuant to the terms of the development agreement dated 5 April 2012 relating to the development of the hotel, the LLP has the benefit of an indemnity from the developer in relation to the availability and attainment by the LLP of a certain level of business premises renovation allowances on the Hotel development works. The Designated Members consider that, subject to the occurrence of certain events which are as yet undetermined, the LLP may be entitled to make a claim under this indemnity. In the event that such a claim is made, and amounts recovered by the LLP, certain information set out in these financial statements may need to be amended accordingly.

Stanley Dock (All Suite) Regeneration LLP

Notes to the financial statements (cont'd)

For the year ended 5 April 2023

2 MATERIAL UNCERTAINTIES (cont'd)

The Designated Members acknowledge their responsibility in preparing financial statements which give a true and fair view of the state of the affairs of the LLP as at the end of the relevant financial year in accordance with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to financial statements, so far as applicable to the LLP. As referenced above, the Designated Members are of the view that, on the basis of the information available to them now, these financial statements have been prepared on that basis in compliance with, and satisfy their obligations under, all applicable legislation.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires the Designated members to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The material uncertainties affecting these accounting estimates and judgements are disclosed in Note 2.

The Designated Members are satisfied that there are no significant estimates or judgements in place, other than in relation to investment properties and the material uncertainties noted above, and that the accounting policies are appropriate and have been applied consistently.

4 INVESTMENT PROPERTIES

	Cost	Revaluation	Net Book Value
	£	£	£
5 April 2022	30,300,000	(2,700,000)	27,600,000
Additions during the year	-	-	-
Disposals during the year	-	-	-
Revaluation	-	-	-
5 April 2023	<u>30,300,000</u>	<u>(2,700,000)</u>	<u>27,600,000</u>

5 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accrued income	-	136,904
Prepayments	<u>9,372</u>	<u>8,264</u>
	<u>9,372</u>	<u>145,168</u>

Stanley Dock (All Suite) Regeneration LLP

Notes to the financial statements (cont'd)

For the year ended 5 April 2023

6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	38,300	-
VAT	57,367	67,396
Accruals and deferred income	377,070	480,919
Developer loan - principal	3,860,243	3,860,243
Developer loan – interest accrued	100,767	1,806
Bank of Ireland loan (matured)	-	14,962,501
Other Creditors	22,053	-
	<u>4,555,800</u>	<u>19,372,865</u>

The Developer loan matured in April 2023 after the reporting date and is reported under current liabilities. Repayment of the loan has been deferred pending resolution of the dispute outlined in Note 2.

Interest on the Developer loan is chargeable at 3.415% and payable quarterly in arrears. The interest accrued is for the period 1st July 2022 to the reporting date.

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

7.1 Loans

	2023	2022
	£	£
Bank of Ireland loan	15,009,900	-
	<u>15,009,900</u>	<u>-</u>

Amounts falling due in more than one year, repayable otherwise than by instalments:

	2023	2022
	£	£
Bank of Ireland loan	13,299,000	-
	<u>13,299,000</u>	<u>-</u>

In November 2022 the Bank of Ireland loan (see note 6) was refinanced with the Bank of Ireland. The new £15.2m facility is once again secured and has a chargeable interest rate of 3.0% over Sonia with 75% fixed (7.075%) and 25% floating, the term of the loan is five years. Capital repayment by quarterly instalment commenced 31st December 2022 and the facility matures in November 2027.

Both the Bank of Ireland loan and the Developer loan (See Note 6) are secured debts, secured by way of a fixed and floating charge over the property.

Stanley Dock (All Suite) Regeneration LLP
Notes to the financial statements (cont'd)
For the year ended 5 April 2023

8 MEMBERS' INTERESTS

	Members' capital classified as equity £	Members' Other Interests - Reserves £	Loans and other debts due to Members £	Total £
Balance at 5 April 2022	10,100,000	(632,796)	79,780	9,546,984
Profit for the financial year available for discretionary division among Members	-	28,931	-	28,931
Members' interests after loss for the financial year	10,100,000	(603,865)	79,780	9,575,915
Introduced by members	-	-	-	-
Balance at 5 April 2023	10,100,000	(603,865)	79,780	9,575,915

	Members' capital classified as equity £	Members' Other Interests - Reserves £	Loans and other debts due to Members £	Total £
Balance at 5 April 2021	10,100,000	1,693,221	79,780	11,873,001
Profit for the financial year available for discretionary division among Members	-	(2,326,017)	-	(2,326,017)
Members' interests after loss for the financial year	10,100,000	(632,796)	79,780	9,546,984
Introduced by members	-	-	-	-
Balance at 5 April 2022	10,100,000	(632,796)	79,780	9,546,984

Stanley Dock (All Suite) Regeneration LLP

Notes to the financial statements (cont'd)

For the year ended 5 April 2023

9 RELATED PARTIES

There were no material transactions between related parties that were not performed on an arm's length basis during the year (2022: none). The fees paid to Designated Members were made in accordance with the resolutions passed by the Members in the year to 5th April 2021.

There has been no provision made for the payment of fees of £50,000 per annum for the years ended 5th April 2019 and 2020, contingent on Members receiving a 50% return of the original equity capital of £10million contained in those resolutions.

10 CONTROLLING INTERESTS

There is no ultimate controlling party.

11 CHARGES REGISTERED

There are two outstanding charges registered for the company, as at the year end.

Firstly, a charge in favour of The Governor and Company of the Bank of Ireland in respect of leasehold absolute property known as North Warehouse, Stanley Dock, Regents Road, Liverpool L3 0AN. The floating charge covers all property or undertaking of the company.

Secondly, a legal charge in favour of Stanley Dock Properties Limited securing £10,100,000 due or to become due over North Warehouse, Stanley Dock, Liverpool.