

Registered number: OC398246

**GRAFTON QUARTER PROPERTY DEVELOPMENT LLP  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

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# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **INFORMATION**

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### **Designated Members**

Grafton Quarter One Limited  
Grafton Quarter Two Limited

### **LLP registered number**

OC398246

### **Registered office**

Lansdowne House  
Office 48 (Third Floor)  
57 Berkeley Square  
London  
W1J 6ER

### **Independent auditor**

Blick Rothenberg Audit LLP  
Chartered Accountants & Statutory Auditor  
16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018**

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The members present their annual report together with the audited financial statements of Grafton Quarter Property Development LLP (the "LLP") for the year ended 31 December 2018.

### **Principal activity**

The principal activity of the LLP is property development.

### **Designated Members**

The designated members during the year were:

Brasted Investment Ltd (appointed 11 February 2015, resigned 12 June 2018)  
Grafton Quarter Limited (appointed 11 February 2015, resigned 12 June 2018)  
Grafton Quarter One Limited (appointed 12 June 2018)  
Grafton Quarter Two Limited (appointed 12 June 2018)

### **Members' capital and interests**

Details of changes in members' capital in the year ended 31 December 2018 are set out in the reconciliation of members' interests.

Drawing levels are approved by the agreement of the majority of the members, once surplus cash is available to be drawn.

This report was approved and signed on behalf of the members:



**Grafton Quarter One Limited**  
Designated member

Date: 18/12/2020

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **MEMBERS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018**

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The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, 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 period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting 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 entity 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 to 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAFTON QUARTER PROPERTY DEVELOPMENT LLP FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **Opinion**

We have audited the financial statements of Grafton Quarter Property Development LLP (the 'LLP') for the year ended 31 December 2018, which comprise the profit and loss account, the balance sheet, the reconciliation of members' interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 December 2018 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 Companies Act 2006) Regulations 2008.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAFTON QUARTER PROPERTY DEVELOPMENT LLP (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **Other information**

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, by the Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulation 2008, 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.

### **Responsibilities of members**

As explained more fully in the members' responsibilities statement on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GRAFTON QUARTER PROPERTY DEVELOPMENT LLP (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018**

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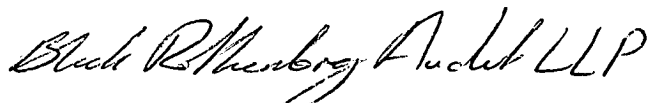
### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications 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 for our audit work, for this report, or for the opinions we have formed.



Mark Cunningham (senior statutory auditor)

for and on behalf of

**Blick Rothenberg Audit LLP**

Chartered Accountants  
Statutory Auditor

16 Great Queen Street  
Covent Garden  
London  
WC2B 5AH

Date: 24/12/2020



# GRAFTON QUARTER PROPERTY DEVELOPMENT LLP

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Turnover	4	4,348,000	-
Cost of sales		(5,827,604)	-
<b>Gross loss</b>		<b>(1,479,604)</b>	<b>-</b>
Administrative expenses		(64,223)	(114,446)
<b>Operating loss</b>	5	<b>(1,543,827)</b>	<b>(114,446)</b>
Interest receivable and similar income		-	4
Interest payable and similar expenses		(550,046)	-
<b>Loss for the financial year before members' remuneration and profit shares</b>		<b>(2,093,873)</b>	<b>(114,442)</b>
Loss for the year before members' remuneration and profit shares		(2,093,873)	(114,442)
<b>Loss for the financial year available for discretionary division among members</b>		<b>(2,093,873)</b>	<b>(114,442)</b>

There are no items of other comprehensive income for either the year or the prior year other than the loss for the year. Accordingly, no statement of other comprehensive income has been presented.

**GRAFTON QUARTER PROPERTY DEVELOPMENT LLP****BALANCE SHEET  
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
<b>Current assets</b>			
Stocks	9	33,342,101	34,918,647
Debtors: amounts falling due within one year	10	442,612	2,033,243
Cash at bank and in hand		-	10,258
		<u>33,784,713</u>	<u>36,962,148</u>
Creditors: amounts falling due within one year	11	(419,295)	(11,705,816)
<b>Net current assets</b>		<u>33,365,418</u>	<u>25,256,332</u>
<b>Total assets less current liabilities</b>		<u>33,365,418</u>	<u>25,256,332</u>
Creditors: amounts falling due after more than one year	12	(30,915,949)	(20,172,709)
		<u>2,449,469</u>	<u>5,083,623</u>
<b>Net assets attributable to members</b>		<u><u>2,449,469</u></u>	<u><u>5,083,623</u></u>

**GRAFTON QUARTER PROPERTY DEVELOPMENT LLP****BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2018**

	Note	2018 £	2017 £
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts	14	-	540,281
		-	540,281
<b>Members' other interests</b>			
Members' capital classified as equity	4,750,000	4,750,000	
Other reserves classified as equity	(2,300,531)	(206,658)	
		2,449,469	4,543,342
		2,449,469	5,083,623
<b>Total members' interests</b>			
Loans and other debts due to members	14	-	540,281
Members' other interests		2,449,469	4,543,342
		2,449,469	5,083,623

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:

Grafton Quarter One Limited  
Designated member



Date: 15/12/2020

The notes on pages 11 to 18 form part of these financial statements.

# GRAFTON QUARTER PROPERTY DEVELOPMENT LLP

## RECONCILIATION OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 DECEMBER 2018

	Members' capital (classified as equity) £	Other reserves £	Total £	Loans and other debts due to members less any amounts due from members in debtors £	Total £	Total £
Amounts due to members				478,551	478,551	
<b>Balance at 1 January 2017</b>	4,750,000	(92,216)	4,657,784	478,551	478,551	5,136,335
Loss for the year available for discretionary division among members	-	(114,442)	(114,442)	-	-	(114,442)
<b>Members' interests after loss for the year</b>	4,750,000	(206,658)	4,543,342	478,551	478,551	5,021,893
Discounted bonds appreciation	-	-	-	61,730	61,730	61,730
Amounts due to members				540,281	540,281	
<b>Balance at 31 December 2017</b>	4,750,000	(206,658)	4,543,342	540,281	540,281	5,083,623
Loss for the year available for discretionary division among members	-	(2,093,873)	(2,093,873)	-	-	(2,093,873)
<b>Members' interests after loss for the year</b>	4,750,000	(2,300,531)	2,449,469	540,281	540,281	2,989,750
Drawings	-	-	-	(540,281)	(540,281)	(540,281)
<b>Balance at 31 December 2018</b>	4,750,000	(2,300,531)	2,449,469	-	-	2,449,469

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **1. General information**

Grafton Quarter Property Development LLP's principal activity is property development.

Grafton Quarter Property Development LLP is a limited liability partnership, incorporated in England and Wales. Its registered office is Lansdowne House, Office 48 (Third Floor), 57 Berkeley Square, London, W1J 6ER.

The financial statements are presented in Sterling (£).

### **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 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".

This is the first year that the financial statements have been prepared under FRS 102. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The LLP was, at the end of the year, a wholly-owned subsidiary of Grand City Properties S.A., a company incorporated in the EEA, whose registered address is 24 Avenue Victor Hugo, L-1750 Luxembourg, R.C.S. Luxembourg B 165.560.

The LLP has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- Section 3 Financial Statement Presentation paragraph 3.17(d) (inclusion of statement of cash flows);
- Section 7 Statement of Cash Flows (inclusion of statement of cash flows);
- Section 11 Financial Instruments paragraph 11.39 to 11.48A (disclosure relating to financial instruments);
- Section 33 Related Party Disclosures paragraph 33.7 (disclosures of key management personnel compensation).

The LLP is included in the consolidated financial statements of Grand City Properties S.A. for the year ended 31 December 2018 and these financial statements may be obtained from <https://www.grandcityproperties.com>.

The following principal accounting policies have been applied:

#### **2.2 Going concern**

The financial statements have been prepared on a going concern basis notwithstanding the fact that the LLP has made a loss for the financial year. The members consider this basis to be appropriate as the LLP has received a letter of financial support from its ultimate parent.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **2. Accounting policies (continued)**

#### **2.3 Revenue**

Revenue is recognised when the development asset has been completed and when legal title passes to a buyer or an unconditional exchange of contracts is entered in to. It is recognised net of sales tax.

#### **2.4 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Stocks include an appropriate proportion of finance costs.

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 profit and loss account.

#### **2.5 Financial instruments**

The LLP has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the LLP becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

The LLP's policies for its major classes of financial assets and financial liabilities are set out below.

##### **Financial assets**

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

##### **Financial liabilities**

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **2. Accounting policies (continued)**

#### **Financial instruments (continued)**

##### **Impairment of financial assets**

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets and financial liabilities**

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

##### **Offsetting of financial assets and financial liabilities**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

### **2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **2. Accounting policies (continued)**

#### **2.7 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of a 'qualifying asset' (one that necessarily takes a substantial period of time to get ready for its intended use or sale) are included in the cost of the asset. Borrowing costs have therefore been capitalised within inventory, until the completion of the development, at which point the borrowing costs incurred subsequent to completion are recognised in 'interest payable or similar expenses'.

#### **2.8 Members' participation rights**

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement.

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 102. 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 period 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'.

#### **2.9 Taxation**

Members are personally liable for taxation on their share of profits of the LLP. Consequently, no reserve for taxation is made in the financial statements in respect of members' tax liabilities and the profits are shown within Members' Interests or as 'loans and other debts due to members' without any deduction for tax.



# GRAFTON QUARTER PROPERTY DEVELOPMENT LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

#### Stock provisioning

The carrying value of stock, at the lower of cost and net realisable value, is dependent on key judgements and estimates that are made by management. The judgements relating to stock include an estimation of future expected average sales prices and disposal costs. These judgements also include consideration of specific factors and the developments in the market that have been identified throughout the year and subsequent to the year end. Actual outcomes could be different to the assumptions used in determining the estimates.

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £	2017 £
Sales of property stock	4,200,000	-
Other income	148,000	-
	<u>4,348,000</u>	<u>-</u>

All turnover arose within the United Kingdom.

### 5. Auditors remuneration

	2018 £	2017 £
Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements	7,750	-
Fees payable to the LLP's auditor for non-audit services	1,500	-
	<u>9,250</u>	<u>-</u>

### 6. Employees

During the year there were no employees and therefore no employee costs incurred.

### 7. Information in relation to members

The average number of members during the year was 2 (2017: 2).

The average members remuneration during the year was £Nil (2017: £Nil).

# GRAFTON QUARTER PROPERTY DEVELOPMENT LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 8. Interest payable and similar expenses

	2018 £	2017 £
Interest payable	<u>550,046</u>	<u>-</u>

### 9. Stocks

	2018 £	2017 £
Property stock - under development	<u>33,342,101</u>	<u>34,918,647</u>

Included within stocks are finance costs of £4,814,274 (2017: £3,828,655) which are directly attributable to stock.

### 10. Debtors

	2018 £	2017 £
Trade debtors	23,449	2,000
Other debtors	407,163	2,031,243
Prepayments and accrued income	12,000	-
	<u>442,612</u>	<u>2,033,243</u>

### 11. Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	10,883
Other creditors	324,525	437,500
Accruals and deferred income	94,770	2,302,219
Related party borrowings	-	2,651,936
Discount bonds	-	6,303,278
	<u>419,295</u>	<u>11,705,816</u>

# GRAFTON QUARTER PROPERTY DEVELOPMENT LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

### 12. Creditors: amounts falling due after more than one year

	2018 £	2017 £
Commercial loans	-	20,172,709
Amounts owed to group undertakings	30,365,903	-
Accruals and deferred income	550,046	-
	<u>30,915,949</u>	<u>20,172,709</u>

At the year end, amounts owed to group undertakings bear interest at 3% above Euribor p.a. and are repayable within 36 months of the initial drawdown date.

### 13. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
<b>Amounts falling due within one year</b>		
Commercial loans	-	20,172,709
<b>Amounts falling due 2-5 years</b>		
Amounts owed to group undertakings	30,365,903	-
	<u>30,365,903</u>	<u>20,172,709</u>

### 14. Loans and other debts due to members

	2018 £	2017 £
Other amounts due to members	-	(540,281)
	<u>-</u>	<u>(540,281)</u>

Loans and other debts due to members may be further analysed as follows:

	2018 £	2017 £
Falling due within one year	-	(540,281)
	<u>-</u>	<u>(540,281)</u>

# **GRAFTON QUARTER PROPERTY DEVELOPMENT LLP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018**

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### **14. Loans and other debts due to members (continued)**

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

### **15. Contingent liabilities**

The assets, property and undertakings of the LLP have been pledged as security under the acquisition agreement for the LLP dated 12 June 2018.

### **16. Related party transactions**

The LLP has taken advantage of the exemption contained in FRS 102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

The LLP issued discounted bonds to Brasted Investments Limited, a designated member, on 1 October 2017 at a value of £520,616. At the 2017 balance sheet date, the bond value has risen to £540,281 as the result of total accrued interest of £19,685. The bond accrued further interest of £32,341 before being redeemed in 2018.

PLRD JMH II Ltd and Grafton Quarter Limited, a designated member, were under common control. The LLP issued discounted bonds to PLRD JMH II Ltd on 1 October 2017 at a value of £6,073,858. At the 2017 balance sheet date, the bond value had risen to £6,303,278 as the result of accrued interest of £229,420. The bond accrued further interest of £377,317 before being redeemed in 2018. As at the balance sheet date, the LLP owed PLRD JMH II Ltd £Nil (2017: £2,651,936). Interest of £151,050 was incurred (2017: £357,252).

Prime London Residential Development II GP LLP (PLRD II GP LLP) and Grafton Quarter Limited, a designated member, are under common control. During the period, PLRD II GP LLP charged the LLP property advisory fees of £72,917 (2017: £175,000). As at the balance sheet date, the LLP owed £Nil (2017: £393,750).

Urbanwise Development Limited (Urbanwise), and a prior designated member, Brasted Investments Limited, are under common control. During the period, the LLP paid Urbanwise £43,132 (2017: £116,547) for development management services, and was charged £27,200 (2017: £52,908) by Urbanwise for payments made on behalf of the LLP.

### **17. Controlling party**

The parent undertaking of the smallest and largest group for which group financial statements are drawn up and of which the LLP is a member is Grand City Properties S.A., whose registered office is at 24 Avenue Victor Hugo, L-1750 Luxembourg, R.C.S. Luxembourg B 165.560. Copies of these group financial statements are available to the public from <https://www.grandcityproperties.com>.

The ultimate parent company is Grand City Properties S.A.

The immediate parent company is Grafton Quarter One Ltd.

In the opinion of the members there is no ultimate controlling party.