

ACCRUE 1 SCOTLAND GP LIMITED
FINANCIAL STATEMENTS
31 MARCH 2012

**PARTNERSHIP
ACCOUNTS**

FRIDAY



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COMPANIES HOUSE

THOMPSON TARAZ
Chartered Accountants
35 Grosvenor Street
Mayfair
London W1K 4QX

ACCRUE 1 SCOTLAND GP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2012

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ACCOUNTS
PARTNERSHIP

ACCRUE 1 SCOTLAND GP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2012

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 March 2012.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year is that of general partner in Accrue 1 Limited Partnership.

DIRECTORS

The directors who served the company during the year were as follows:

Mr S Webster

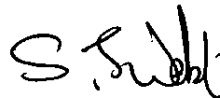
Mr J Slade

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
50 Lothian Road
Festival Square
Edinburgh
Scotland
EH3 9WJ

Signed on behalf of the directors



SJ Webster

Director

Approved by the directors on 18 October 2012

ACCRUE 1 SCOTLAND GP LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 MARCH 2012

		Year to 31 March 12	Period from 21 April 10 to 31 March 11
	Note	£	£
TURNOVER		—	—
Administrative expenses		100	100
Other operating income	2	(100)	(100)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		—	—
Tax on profit on ordinary activities		—	—
PROFIT FOR THE FINANCIAL YEAR		—	—

The notes on pages 4 to 5 form part of these financial statements.

ACCRUE 1 SCOTLAND GP LIMITED

BALANCE SHEET

31 MARCH 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Investments	4	10	10
CURRENT ASSETS			
Debtors	5	2	2
CREDITORS: Amounts falling due within one year	6	10	10
NET CURRENT LIABILITIES		(8)	(8)
TOTAL ASSETS LESS CURRENT LIABILITIES		2	2
CAPITAL AND RESERVES			
Called-up equity share capital	8	2	2
SHAREHOLDERS' FUNDS		2	2

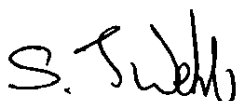
The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477, and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the directors and authorised for issue on 18 October 2012, and are signed on their behalf by:



MR S WEBSTER
Director

Company Registration Number: SC377241

The notes on pages 4 to 5 form part of these financial statements.

ACCRUE 1 SCOTLAND GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement entered into, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its financial liabilities.

2. OTHER OPERATING INCOME

	Year to 31 March 12	Period from 21 April 10 to 31 March 11
	£	£
Other operating income	<u>100</u>	<u>100</u>

During the year, the company was entitled to a priority profit share from Accrue 1 Limited Partnership (a limited partnership registered in Scotland under number SL007807) of £100.00 and incurred a management cost (including irrecoverable VAT) of the same sum. Thus, the company made no profit or loss.

3. OPERATING PROFIT

Operating profit is stated after crediting:

	Year to 31 March 12	Period from 21 April 10 to 31 March 11
	£	£
Directors' remuneration	<u>—</u>	<u>—</u>

ACCRUE 1 SCOTLAND GP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2012

4. INVESTMENTS

PARTNERSHIP INVESTMENT

	£
COST	
At 1 April 2011 and 31 March 2012	<u>10</u>
NET BOOK VALUE	
At 31 March 2012 and 31 March 2011	<u>10</u>

The investment represents a capital contribution to Accrue 1 Limited Partnership.

5. DEBTORS

	2012	2011
	£	£
Called up share capital not paid	<u>2</u>	<u>2</u>

6. CREDITORS: Amounts falling due within one year

	2012	2011
	£	£
Other creditors	<u>10</u>	<u>10</u>

7. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

The company has no ultimate controlling entity.

8. SHARE CAPITAL

Allotted and called up:

	2012		2011	
	No	£	No	£
2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

The amounts of paid up share capital for the following categories of shares differed from the called up share capital stated above due to unpaid calls and were as follows:

	2012	2011
	£	£
Ordinary shares	<u>2</u>	<u>2</u>

ACCRUE 1 SCOTLAND GP LIMITED
MANAGEMENT INFORMATION
YEAR ENDED 31 MARCH 2012

The following pages do not form part of the statutory financial statements.

ACCRUE 1 SCOTLAND GP LIMITED
DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2012

	Year to 31 March 12	Period from 21 April 10 to 31 March 11
	£	£
OVERHEADS		
Administrative expenses	100	100
	(100)	(100)
OTHER OPERATING INCOME		
Other operating income	100	100
	—	—
PROFIT ON ORDINARY ACTIVITIES	—	—

ACCRUE 1 SCOTLAND GP LIMITED
NOTES TO THE DETAILED PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2012

	Year to 31 March 12 £	Period from 21 April 10 to 31 March 11 £
ADMINISTRATIVE EXPENSES		
General expenses		
Management charges payable	<u>100</u>	<u>100</u>

REGISTRATION NUMBER SL007807

ACCRUE 1 LIMITED PARTNERSHIP
FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2012

ACCRUE 1 LIMITED PARTNERSHIP

FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2012

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ACCRUE 1 LIMITED PARTNERSHIP
OPERATOR AND PROFESSIONAL ADVISERS

Operator of Partnership

Thompson Taraz Collectives Limited
35 Grosvenor Street
Mayfair
London
W1K 4QX

General Partner

Accrue 1 Scotland GP Limited
50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

Solicitors to the Partnership

Burness LLP
50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

Independent Auditors

UHY Hacker Young
Quadrant House
4 Thomas More Square
London
E1W 1YW

Bankers

HSBC
133 Regent Street
London
W1B 4HX

ACCRUE 1 LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2012

The General Partner has pleasure in presenting its report on the operations of the Partnership for the year ended 5 April 2012 together with the financial statements.

PRINCIPAL ACTIVITIES, REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Partnership is that of indirect investment into UK property.

The Partnership holds a 50.45% investment in Accrue Heathcroft Limited Partnership ("AHLPP").

The General Partner considers this to be a good result for the period that the investment has been held.

The principal risk and uncertainties facing the Partnership are not reproduced here, as this report is prepared under the provisions applicable to small entities.

CONSTITUTION AND GOVERNANCE

The Partnership is a limited partnership, initially registered on 22 April 2010, which entered into a Limited Partnership Agreement on 22 April 2010 ("the Partnership Agreement") and is registered under the Limited Partnership Act 1907. The Partnership shall continue until such date as the General Partner and 90% of the Limited Partners agree to terminate the Partnership.

The Registered Office and principal place of business of the General Partner is 50 Lothian Road, Festival Square, Edinburgh, Scotland, EH3 9WJ.

The Operator of the Partnership is Thompson Taraz Collectives Limited.

RESULTS AND DISTRIBUTIONS

The Partnership's profit for the year was £50,506.

No distributions were made to the partners during the period.

THE PARTNERS

The General Partner is Accrue 1 Scotland GP Limited. The Limited Partner's contributions are as set out in the Limited Partners Contributions and Income Accounts note. Each limited partner's contribution in the Partnership is made up of a Capital Contribution and a Loan Contribution.

ACCRUE 1 LIMITED PARTNERSHIP

GENERAL PARTNER'S REPORT

YEAR ENDED 5 APRIL 2012

STATEMENT OF GENERAL PARTNER'S RESPONSIBILITIES

The Partnership Agreement requires that the General Partner prepares financial statements for each financial year that give a true and fair view of the Partnership's state of affairs at the end of the financial year and of the surplus or deficiency of the Partnership for that year then ended. In preparing those financial statements, the General Partner is required to:

- select suitable accounting policies, as described on pages 8 - 9, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Partnership will continue in business.

The General Partner confirms that the financial statements comply with the above requirements. The General Partner is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Partnership in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and in accordance with the terms and conditions of the Limited Partnership Agreement. The General Partner is also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITORS

- a) So far as the General Partner is aware, there is no relevant audit information of which the partnership's auditors are unaware.
- b) It has taken all steps that it ought to have taken as a General Partner in order to make itself aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

AUDITORS

UHY Hacker Young have expressed their willingness to continue in office and the directors hereby appoint them for the coming year.



Director
For and on behalf of Accrue 1 Scotland GP Limited
30 May 2012

ACCRUE 1 LIMITED PARTNERSHIP

INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF ACCRUE 1 LIMITED PARTNERSHIP

YEAR ENDED 5 APRIL 2012

We have audited the financial statements of Accrue 1 Limited Partnership for the year ended 5 April 2012 which comprise of the income and expenditure account, the statement of recognised gains and losses, the balance sheet and related notes. These accounts have been prepared on the basis of the accounting policies set out herein.

This report is made solely to the Partners, as a body, in accordance with the Limited Partnership Agreement. Our audit work has been undertaken so that we might state to the Partners those matters we are required to state to them in an auditors' 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 Partners as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE GENERAL PARTNER AND AUDITORS

As described in the statement of General Partner's responsibilities, the General Partner is responsible for the preparation of the financial statements in accordance with United Kingdom accounting standards ("United Kingdom Generally Accepted Accounting Practice") and applicable law.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements have been properly prepared in accordance with the Limited Partnership Agreement. We also report to you whether in our opinion the information given in the General Partner's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Partnership has not kept adequate accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the General Partners Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

ACCRUE 1 LIMITED PARTNERSHIP

**INDEPENDENT AUDITORS' REPORT TO THE PARTNERS OF ACCRUE
1 LIMITED PARTNERSHIP (continued)**

YEAR ENDED 5 APRIL 2012

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the General Partner in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Partnership's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Partnership Agreement;
- the financial statements give a true and fair view of the state of the Partnership's affairs as at 5 April 2012 and of its profit for the year then ended; and
- the information given in the General Partner's report is consistent with the financial statements.


UHY HACKER YOUNG
Chartered Accountants & Registered Auditors
London

30 May 2012

ACCRUE 1 LIMITED PARTNERSHIP

PROFIT AND LOSS STATEMENT

YEAR ENDED 5 APRIL 2012

		Year to 22 April 10 to 5 April 12	Period from 5 April 11
	Note	£	£
PROFIT AND LOSS STATEMENT			
INCOME	2	54,380	475,611
OPERATING COSTS			
OTHER OPERATING CHARGES		(3,840)	(862)
OPERATING SURPLUS		50,540	474,749
Interest payable and similar charges	4	(34)	—
SURPLUS FOR THE FINANCIAL YEAR		50,506	474,749

All of the activities of the Partnership are classed as continuing.

There is no difference between the income on ordinary activities and net income for the period stated above and their historical cost equivalent.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Surplus for the financial period	50,506	474,749
Share of capital items in the limited partnership investment		
(Reduction)/Gain on revaluation of investment property portfolio	(40,160)	874,633
	10,346	1,349,382

The notes on pages 8 - 11 form part of these financial statements.

ACCRUE 1 LIMITED PARTNERSHIP

BALANCE SHEET

5 APRIL 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Investments	5	<u>2,872,235</u>	<u>2,858,015</u>
CURRENT ASSETS			
Debtors	6	26,169	12,909
Cash at bank		<u>80</u>	<u>1,694</u>
		26,249	14,603
CREDITORS: Amounts falling due within one year	7	<u>(40,520)</u>	<u>(25,000)</u>
NET CURRENT LIABILITIES		<u>(14,271)</u>	<u>(10,397)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,857,964</u>	<u>2,847,618</u>
NET ASSETS		<u>2,857,964</u>	<u>2,847,618</u>
FUNDED BY:			
Partners' capital contribution account	9	90	90
Partners' loan contribution account	9	1,498,146	1,498,146
Partners' capital appreciation account	9	792,112	874,633
Partners' income account	9	<u>567,616</u>	<u>474,749</u>
		<u>2,857,964</u>	<u>2,847,618</u>

These financial statements have been prepared in accordance with the special provisions for small entities in accordance with Generally Accepted Accounting Practice in the United Kingdom.

The financial statements were approved by the General Partner and authorised for issue on 30 May 2012.

S. J. Webb

Director
For and on behalf of Accrue 1 Scotland GP Limited
30 May 2012

Registration Number SL007807

The notes on pages 8 - 11 form part of these financial statements.

ACCRUE 1 LIMITED PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2012

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on an accruals basis under the historical cost convention as modified by the revaluation of investment properties. The financial statements have been prepared on a going concern basis in accordance with the Limited Partnership Agreement and United Kingdom, Generally Accepted Accounting Practices.

Cash flow statement

The Partnership has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small entity.

Turnover

Income is accounted for on an accruals basis and stated net of VAT. It represents the Partnership's share of net income of the limited partnership investment.

Investments

The investment in AHLP was initially valued at cost, being the value of the consideration paid. Subsequently, the value has been adjusted in respect of the Partnership's share of net profits, realised and unrealised gains, distributions received and its share of operating costs.

The Partnership's share of the net profit or loss of AHLP is recognised in the Profit and loss account and the partners' revenue accounts. The Partnership's share of realised capital items of the AHLP are recognised in the Profit and loss account and the Partnership's share of capital items arising on the revaluation of a partnership's underlying investment portfolio are recognised in the revaluation reserve and disclosed in the Statement of total recognised gains and losses.

Issue costs

Issue costs with respect to partner's loans received are set off against the Partner's Loan Contribution balance.

ACCRUE 1 LIMITED PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2012

1. ACCOUNTING POLICIES *(continued)*

Taxation

The Partnership is carrying on the business of indirect property investment and should have no tax liability in respect of income and gains distinct from that incurred by the partners. Income and gains generated by the Partnership are attributed to the partners for tax purposes pro rata to their investment as set out in the Partnership Agreement.

The taxable income is reduced by the deduction of the interest cost incurred on the loan used to purchase the property and by utilising capital allowances. Gains realised may be eligible for taper relief, so that less than the full amount of the gain is taxable.

Distributions

The Partnership has a full distribution policy of all net positive cash flows to all partners, subject to a small cash provision being maintained to cover any administration or management costs, also subject to payment of interest and repayment of bank indebtedness.

2. INCOME

The income is attributable to the one principal activity of the Partnership and is all derived in the UK.

3. PARTNER REMUNERATION AND EMPLOYEE INFORMATION

The partners received no remuneration from the Partnership. The Partnership does not have any employees.

ACCRUE 1 LIMITED PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2012

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Period from Year to 22 April 10 to 5 April 12	5 April 11
	£	£
Finance charges	<u>34</u>	<u>—</u>

5. INVESTMENTS

	Investments £
COST	
At 6 April 2011	2,858,015
Share of net profit for the year	54,380
Share of movement in unrealised loss	<u>(40,160)</u>
At 5 April 2012	<u>2,872,235</u>

6. DEBTORS

	2012	2011
	£	£
Trust debtor	26,159	12,899
Other debtors	<u>10</u>	<u>10</u>
	<u>26,169</u>	<u>12,909</u>

7. CREDITORS: AMOUNTS DUE WITHIN ONE YEAR

	2012	2011
	£	£
Accruals	<u>40,520</u>	<u>25,000</u>

8. RELATED PARTY TRANSACTIONS

Capita Trust Company Limited acts as Trustee for Accrue Heathcroft Unit Trust ("AHUT") and is a Limited Partner in the Partnership. Thompson Taraz Collectives Limited ("Collectives") acts as Trust Manager for AHUT. Four of the directors of Collectives have an indirect interest in the Partnership.

During the period, the Partnership incurred costs of £8,460 (2011: £8,284) and £4,800 (2011: £4,615) for Trustee and Trust Manager fees respectively. These are recoverable from AHUT in due course.

At the period end, and included in Other Creditors, is an amount of £38,600 (2011: £25,000) owed to Accrue Heathcroft Limited Partnership. This is repayable on demand and non-interest bearing.

ACCRUE 1 LIMITED PARTNERSHIP
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 5 APRIL 2012

9. LIMITED PARTNERS CONTRIBUTIONS AND INCOME ACCOUNTS

	Loan Contribution	Capital Contribution	Net Income	Valuation Reserve
	£	£	£	£
Balance brought forward	1,498,146	90	474,749	874,633
Profit for the year	-	-	50,506	-
Reduction in base market value	-	-	-	(82,521)
Transfer from revaluation reserve	-	-	42,361	-
	<u>1,498,146</u>	<u>90</u>	<u>567,616</u>	<u>792,112</u>