

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2012

Registered Number: 06278378

Registered Office:

Tiddington Road
Stratford-upon-Avon
Warwickshire
CV37 7BJ



SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2012

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SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2012

The directors present their report and audited financial statements of SHP Opportunity Fund General Partner Limited ("the Company") for the year ended 31st December 2012

PRINCIPAL ACTIVITIES

The principal activity of the Company in the year under review was that of a General Partner to the SHP Opportunity Fund, which holds investment properties

REVIEW OF BUSINESS

The profit and loss account for the year is set out in page 5

The objective of the Company remains as the management of the partnership that is responsible for the running of the SHP Opportunity Fund, whose objective it is to purchase properties for investment

The directors are of the opinion that, due to the straight forward nature of the Company, a review using key performance indicators is not necessary to understand the performance of the Company in the year

DIVIDENDS AND TRANSFERS TO RESERVES

The retained profit for the year ended 31 December 2012 of £1,963 (2011 £1,867) will be transferred to reserves

The directors do not recommend payment of a dividend (2011 nil)

FINANCIAL RISK MANAGEMENT

The Company is exposed to financial risk through its financial assets and financial liabilities. From the Company's perspective the key risk is cashflow risk

Cashflow Risk

The risk is that current assets will not be available to meet obligations when they fall due. This risk is monitored at Group level to ensure that sufficient funds are held to cover the Company's liabilities

DIRECTORS

The directors during the year and up to the date of signing of the financial statements were as follows

Richard Topps BSc (Hons) MRICS (Resigned 06/12/12)

A Beasley ACA

D Stewart FRICS

R G F Henderson

R Martin FRICS

T Bostock (Appointed 20/11/12)

The parent company has put in place deeds of indemnity for the benefit of the Directors and Company Secretary of the parent company and of its associated companies. The deeds of indemnity are qualifying third party indemnity provisions in accordance with the Companies Act 2006. The qualifying third party indemnity was in force during the financial year and also at the date of approval of the financial statements

On behalf of the Board



A Beasley

Director

25.7.13

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31ST DECEMBER 2012

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Information Given to Auditors

Each of the directors at the date of approval of this report confirms that

- (a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- (b) the director has taken all the steps that they ought to have taken as a director to make them self aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

On behalf of the Board



A Beasley
Director 25 7 13

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

We have audited the financial statements of SHP Opportunity Fund General Partner Limited for the year ended 31st December 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, set out on page 3, the directors 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, 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 company's affairs as at 31 December 2012 and of its profit 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.

Opinion on other matter prescribed by the Companies Act 2006

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

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 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
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Craig Gentle (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol

25/07/2013

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2012

	<u>Note</u>	<u>2012</u> £	<u>2011</u> £
<u>CONTINUING OPERATIONS</u>			
TURNOVER	1 (a)	5,000	5,000
GROSS PROFIT		<u>5,000</u>	<u>5,000</u>
Administrative expenses	1 (b)	<u>(2,400)</u>	<u>(2,460)</u>
OPERATING PROFIT	4	<u>2,600</u>	<u>2,540</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		2,600	2,540
Tax on profit on ordinary activities	5	<u>(637)</u>	<u>(673)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>1,963</u></u>	<u><u>1,867</u></u>

The Company has no recognised gains or losses other than the profit above and, therefore, no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and retained profit for the year stated above, and their historic cost equivalents

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

BALANCE SHEET

AS AT 31st December 2012

	<u>Notes</u>	<u>2012</u> £	<u>2011</u> £
<u>FIXED ASSETS</u>			
Investments		10	10
<u>CURRENT ASSETS</u>			
Debtors	6	1,250	1,250
Cash at bank and in hand		<u>24,227</u>	<u>20,626</u>
		25,477	21,876
Creditors Amounts falling due within one year	7	<u>(14,838)</u>	<u>(13,200)</u>
NET CURRENT ASSETS		10,639	8,676
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,649</u>	<u>8,686</u>
<u>CAPITAL AND RESERVES</u>			
Called up share capital	8	1,000	1,000
Profit and loss account		<u>9,649</u>	<u>7,686</u>
TOTAL SHAREHOLDERS' FUNDS	9	<u>10,649</u>	<u>8,686</u>

The notes on pages 7 to 10 are an integral part of the financial statements

The financial statements on pages 5 to 10 were approved by the board of directors on [25/07/13] and were signed on its behalf by



A Beasley
DIRECTOR

Company Number 06278378

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2012

1 ACCOUNTING POLICIES

These financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards and accounting policies in the United Kingdom. The accounting policies have been applied consistently and no new accounting policies were adopted in the year. The main accounting policies have been set out below.

a) Turnover

Turnover represents the priority distribution from the Limited Liability Partnership. Turnover is recognised in the financial year to which the distribution relates.

b) Administrative Expenses

Administrative expenses are recognised on an accruals basis in the period to which the services or goods received relate.

c) Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Creditors are recognised initially at fair value and subsequently measured at amortised cost.

d) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

e) Current and Deferred Taxation

The tax expense for the year comprises current and deferred tax where applicable. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company generates taxable income. A taxation credit is recognised where losses are utilised within the Group and the Company will receive cash in respect of these losses.

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2012

2 CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES

The Company is a 98% owned subsidiary of The National Farmers Union Mutual Insurance Society Limited and is included in the consolidated financial statements of The National Farmers Union Mutual Insurance Society Limited which are publicly available. Consequently, the Company is exempt under the terms of Financial Reporting Standard 1 (Revised 1996) from publishing a cash flow statement.

The related party transactions in the year were the income distributions from the limited partnership. This partnership consists of The National Farmers Union Insurance Society Limited and Salmon Harvester Properties Limited. From this SHP Opportunity Fund General Partner Limited received £5,000 as turnover.

	<u>2012</u>	<u>2011</u>
	£	£
Transactions during the Year		
Management Fee from SHP Opportunity Fund Partnership	5,000	5,000
Amounts Outstanding		
Debtor with SHP Opportunity Fund Partnership	<u>1,250</u>	<u>1,250</u>

3 DIRECTORS' EMOLUMENTS AND EMPLOYEE INFORMATION

The directors employed within the Group, in respect of the Company, are considered incidental to their role within the Group as a whole. Emoluments are therefore considered to be nil in respect of these services. There were no employees during 2012 (2011: nil).

4 OPERATING PROFIT

	<u>2012</u>	<u>2011</u>
	£	£
The operating profit is stated after charging		
Auditors' remuneration	<u>2,000</u>	<u>2,000</u>

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2012

5	<u>TAX ON PROFIT ON ORDINARY ACTIVITIES</u>	<u>2012</u>	<u>2011</u>
		£	£
	Profit on ordinary activities before taxation	2,600	2,540
	UK Corporation tax on profit in the year at 24.5% (2011 26.5%)	637	673
	Total current tax	<u>637</u>	<u>673</u>

There is no difference between tax at the standard rate and the tax charge for the year as per the profit and loss account

The tax charge for the year has been calculated using an effective tax rate of 24.5% following the reduction in Corporation tax rate from 26% to 24% which was effective from 1 April 2012

6	<u>DEBTORS</u>	<u>2012</u>	<u>2011</u>
		£	£
	Partnership Current Account	<u>1,250</u>	<u>1,250</u>

7	<u>CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</u>	<u>2012</u>	<u>2011</u>
		£	£
	Trade creditors	14,201	11,800
	Other creditors	<u>637</u>	<u>1,400</u>
		<u>14,838</u>	<u>13,200</u>

8	<u>CALLED UP SHARE CAPITAL</u>	<u>2012</u>	<u>2011</u>
		£	£
	<u>Authorised</u>		
	1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	<u>Allotted</u>		
	1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9	<u>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</u>	<u>2012</u>	<u>2011</u>
		£	£
	Opening shareholder's funds	8,686	6,819
	Profit for the financial year	<u>1,963</u>	<u>1,867</u>
	Closing shareholder's funds	<u>10,649</u>	<u>8,686</u>

SHP OPPORTUNITY FUND GENERAL PARTNER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2012

10 ULTIMATE PARENT UNDERTAKING

The Company is a 98% owned subsidiary of The National Farmers Union Mutual Insurance Society Limited and is included in the consolidated financial statements of The National Farmers Union Mutual Insurance Society Limited which are available from the Secretary at the following address

Tiddington Road,
Stratford-upon-Avon
Warwickshire
CV37 7BJ

The immediate and ultimate parent company is The National Farmers Union Mutual Insurance Society Limited, which is incorporated in England and Wales

Report of the Partners and
Financial Statements for the Year Ended 31st December 2012
for
SHP Opportunity Fund

THESE ACCOUNTS
FORM PART OF THE
FINANCIAL STATEMENTS
OF COMPANY
No. 6278378

WEDNESDAY

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COMPANIES HOUSE

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SHP Opportunity Fund

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for the Year Ended 31st December 2012

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SHP Opportunity Fund
Partnership Information
for the Year Ended 31st December 2012

PARTNERS

General Partner
SHP Opportunity Fund General Partner Limited

Limited Partner
SHP Opportunity Fund Unit Trust

REGISTERED OFFICE.

46 Mount Street
Mayfair
London
W1K 2HH

REGISTERED NUMBER

LP012268 (England and Wales)

AUDITORS

Meyer Williams
Chartered Accountants
& Statutory Auditors
Stag House
Old London Road
Hertford
Hertfordshire
SG13 7LA

SHP Opportunity Fund
(Registered number LP012268)

Report of the Partners
for the Year Ended 31st December 2012

The partners present their report with the financial statements of the partnership for the year ended 31st December 2012

PRINCIPAL ACTIVITY

The principal activity of the partnership in the year under review was that of property investment

PARTNERS

The partners during the period from 1st January 2012 to the date of this report were as follows

SHP Opportunity Fund General Partner Limited
SHP Opportunity Fund Unit Trust

RESPONSIBILITIES OF THE GENERAL PARTNER

The partners are responsible for preparing the Report of the Partners and the financial statements in accordance with applicable law and regulations

Partnership law requires the partners to prepare financial statements for each financial year. Under that law the partners have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under partnership law the partners 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 partnership and of the profit or loss of the partnership for that period. In preparing these financial statements, the partners 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 partnership will continue in business

The partners are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 as modified by the Partnerships (Accounts) Regulations 2008. They are 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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the partners are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the partnership's auditors are unaware, and each partner has taken all the steps that he ought to have taken as a partner in order to make himself aware of any relevant audit information and to establish that the partnership's auditors are aware of that information.

AUDITORS

The auditors, Meyer Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies, as modified by the Partnerships (Accounts) Regulations 2008.

ON BEHALF OF THE GENERAL PARTNER:



Director, SHP Opportunity Fund General Partner Limited

Date 27 April 2013

Date

Report of the Independent Auditors to the Partners of
SHP Opportunity Fund
(Registered number LP012268)

We have audited the financial statements of SHP Opportunity Fund for the year ended 31st December 2012 on pages four to eleven. 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 partners, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as modified by the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the partners those matters we are required to state to them in a Report of the Auditors 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 partners and auditors

As explained more fully in the Responsibilities of the general partner set out on page two, the partners 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 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 partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the partners, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements 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 partnership's affairs as at 31st December 2012 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 modified by the Partnerships (Accounts) Regulations 2008.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Partners for the financial year for which the financial statements are prepared is consistent with the financial statements.

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 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
- certain disclosures of partners' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit
- the partners were not entitled to prepare the financial statements and the Report of the Partners in accordance with the small companies regime.

J L Meyer (Senior Statutory Auditor)
for and on behalf of Meyer Williams Chartered Accountants
& Statutory Auditors
Stag House
Old London Road
Hertford
Hertfordshire
SG13 7LA
Date 7th May 2013

SHP Opportunity Fund
(Registered number LP012268)

Profit and Loss Account
for the Year Ended 31st December 2012

	Notes	Year Ended 31 12 12 £	Year Ended 31 12 11 £
TURNOVER		6,791,921	4,866,007
Cost of sales		<u>618,066</u>	<u>392,436</u>
GROSS PROFIT		6,173,855	4,473,571
Administrative expenses		<u>1,474,075</u>	<u>832,656</u>
		4,699,780	3,640,915
Other operating income		<u>278,268</u>	<u>161,256</u>
OPERATING PROFIT	2	4,978,048	3,802,171
Profit on disposal of investment properties	5	-	491,680
		<u>4,978,048</u>	<u>4,293,851</u>
Interest receivable and similar income		<u>1,941</u>	<u>7,150</u>
		4,979,989	4,301,001
Interest payable and similar charges	3	<u>355,683</u>	-
PROFIT FOR THE FINANCIAL YEAR		<u>4,624,306</u>	<u>4,301,001</u>

The notes form part of these financial statements

SHP Opportunity Fund
(Registered number LP012268)

Statement of Total Recognised Gains and Losses
for the Year Ended 31st December 2012

	Year Ended 31.12.12 £	Year Ended 31.12.11 £
PROFIT FOR THE FINANCIAL YEAR	4,624,306	4,301,001
Unrealised (losses)/gains on revalued properties	<u>(614,552)</u>	<u>1,324,082</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u><u>4,009,754</u></u>	<u><u>5,625,083</u></u>

The notes form part of these financial statements

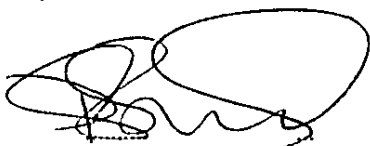
SHP Opportunity Fund
(Registered number LP012268)

Balance Sheet
31st December 2012

	Notes	31.12.12 £	£	31.12.11 £	£
FIXED ASSETS					
Investment property	6		95,520,000		69,530,000
CURRENT ASSETS					
Debtors	7	1,258,068		572,254	
Cash at bank		<u>4,231,565</u>		<u>6,887,184</u>	
		5,489,633		7,459,438	
CREDITORS					
Amounts falling due within one year	8	<u>5,330,040</u>		<u>3,056,463</u>	
NET CURRENT ASSETS			<u>159,593</u>		<u>4,402,975</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			95,679,593		73,932,975
CREDITORS					
Amounts falling due after more than one year	9		<u>15,822,011</u>		<u>-</u>
NET ASSETS			<u>79,857,582</u>		<u>73,932,975</u>
PARTNERS' RESERVES					
Partners' capital accounts	11		760		760
Partners' loan accounts	11		74,934,250		68,139,091
Partners' current accounts	11		970,690		970,690
Revaluation reserve	11		<u>3,951,882</u>		<u>4,822,434</u>
			<u>79,857,582</u>		<u>73,932,975</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 as modified by the Partnerships (Accounts) Regulations 2008 relating to small Limited Partnerships and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Partners on 29 April 2013 and were signed on its behalf by



Director, SHP Opportunity Fund General Partner Limited

The notes form part of these financial statements

SHP Opportunity Fund
(Registered number LP012268)

Notes to the Financial Statements
for the Year Ended 31st December 2012

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with the Partnership Deed under the historical cost convention, as modified by the revaluation of fixed asset investments, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Investment property

Investment properties are included in the balance sheet at their open market value as determined by a professional valuation carried out by Knight Frank LLP as at the end of the period

No depreciation is provided on the properties. This is a departure from the requirement of the Companies Act 2006 concerning the depreciation of fixed assets, yet the policy adopted is necessary for the financial statements to give a true and fair view

Expenditure on investment properties is capitalised in the period in which the expenditure is incurred

Deferred income

Deferred income consists of cash receipts for property rental income that relates to future reporting periods

Interest receivable

Interest receivable is shown net after deduction of income tax and is included on an accruals basis

Turnover

Turnover represents rental income which consists of all property related rental income less non-recoverable expenses disclosed on an accruals basis for the reporting period which fall within the Limited Partnership's ordinary activities stated net of VAT

Acquisitions and disposals

Acquisitions and disposals of investment properties are recognised when legal completion has occurred

Interest on partners' capital account

No interest is payable in respect of partners' capital account

Lease incentives

Payments made for unit fit out costs and rent free periods granted as individual lease incentives are spread evenly over the shorter of the period from the rent commencement date to the date of the next review or the lease end date in accordance with Accounting Standards Boards and Urgent Issues Task Force Abstract 28 "Operating Lease Incentives"

2 OPERATING PROFIT

The operating profit is stated after charging

	Year Ended 31.12.12	Year Ended 31.12.11
	£	£
Auditors remuneration	<u>12,000</u>	<u>10,000</u>

SHP Opportunity Fund
(Registered number LP012268)

Notes to the Financial Statements - continued
for the Year Ended 31st December 2012

3 INTEREST PAYABLE AND SIMILAR CHARGES

	31 12 12	31 12 11
	£	£
Bank loan interest	<u>355,683</u>	-
	<u><u>355,683</u></u>	<u><u>-</u></u>

4 TAXATION

The partnership is not subject to taxation itself. Partners' liable to taxation on their share of profits in the partnership are responsible for settling these liabilities independently.

5 PROFIT ON DISPOSAL OF INVESTMENT PROPERTIES

	Year Ended 31 12 12	Year Ended 31 12 11
	£	£
Profit on disposal of investment property	<u>-</u>	<u>491,680</u>

The profit in 2011 represents the surplus of net proceeds from disposal in comparison with the property's last valuation. The surplus of the disposed property's last valuation over cost was reflected in the previous years financial statements as a transfer from the revaluation reserve to the Partnership current accounts.

6 INVESTMENT PROPERTY

	Total £
COST OR VALUATION	
At 1 st January 2012	69,530,000
Additions	26,604,552
Disposals	-
Revaluations	<u>(614,552)</u>
At 31st December 2012	<u>95,520,000</u>
NET BOOK VALUE	
At 31st December 2012	<u>95,520,000</u>
At 31 st December 2011	<u>69,530,000</u>

Cost or valuation as at 31st December 2012 is represented by

	£
Cumulative revaluations up to 31 st December 2011	5,270,434
Revaluations in 2012	(614,552)
Cost	<u>90,864,118</u>
	<u><u>95,520,000</u></u>

Investment properties are revalued quarterly by external valuers Knight Frank LLP, who valued the property at £95,520,000 as at 31st December 2012 and including £704,000 which relates to income accrued for a lease incentive. The valuations are carried out on an 'open market basis' in accordance with the Royal Institute of Chartered Surveyors appraisal and valuation manual.

SHP Opportunity Fund
(Registered number LP012268)

Notes to the Financial Statements - continued
for the Year Ended 31st December 2012

7 DEBTORS

	31.12.12	31.12.11
	£	£
Amounts falling due within one year		
Trade debtors	414,320	291,004
Prepayments	<u>843,748</u>	<u>281,250</u>
	<u>1,258,068</u>	<u>572,254</u>

Prepayments include Bank arrangement fees incurred which are being written off over 2 and 4 years. As at 31st December 2012 £375,000 (2011 £187,500) is due more than one year.

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.12	31.12.11
	£	£
Trade creditors	397,494	44,276
Social security and other taxes	376,675	188,192
Other creditors	1,548,550	726,668
Accrued and deferred income	<u>3,007,321</u>	<u>2,097,327</u>
	<u>5,330,040</u>	<u>3,056,463</u>

9 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.12	31.12.11
	£	£
Bank loan	<u>15,822,011</u>	<u>-</u>

10 SECURED DEBTS

The following secured debts are included within creditors

	31.12.12	31.12.11
	£	£
Bank loan	<u>15,822,011</u>	<u>-</u>

11 PARTNERS' RESERVE ACCOUNTS

CAPITAL ACCOUNTS

	SHP Opportunity Fund General Partner £	SHP Opportunity Fund Unit Trust £	Totals £
As at 1 st January 2012	<u>10</u>	<u>750</u>	<u>760</u>
At 31st December 2012	<u>10</u>	<u>750</u>	<u>760</u>

No interest is payable in respect of partners' capital accounts

SHP Opportunity Fund
(Registered number LP012268)

Notes to the Financial Statements - continued
for the Year Ended 31st December 2012

11 PARTNERS' RESERVE ACCOUNTS

LOAN ACCOUNT

	SHP Opportunity Fund General Partner £	SHP Opportunity Fund Unit Trust £	Totals £
At 1st January 2012	-	68,139,091	68,139,091
Advances made in the period	-	6,795,159	6,795,159
At 31st December 2012	-	74,934,250	74,934,250

CURRENT ACCOUNTS

	SHP Opportunity Fund General Partner £	SHP Opportunity Fund Unit Trust £	Totals £
At 1st January 2012	-	970,690	970,690
Share of profit	5,000	4,619,306	4,624,306
	5,000	5,589,996	5,594,996
Less Drawings	5,000	4,619,306	4,624,306
At 31st December 2012	-	970,690	970,690

REVALUATION RESERVE

	Totals £
At 1 st January 2012	4,822,434
Revaluation of investment properties	(614,552)
Less UITF 28 provision	(256,000)
At 31st December 2012	3,951,882

SHP Opportunity Fund
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Notes to the Financial Statements - continued
for the Year Ended 31st December 2012

12 RELATED PARTY DISCLOSURES

National Farmers Union Mutual Insurance Society Limited, a company which holds a 98% share in the General Partner	2012 £	2011 £
Included in turnover		
Rent receivable	256,000	256,000
Included in expenses		
Legal and professional fees recharge	26,710	-
Salmon Harvester Properties Limited, a company which holds a 2% share in the General Partner		
Included in expenses		
Asset management fees	469,800	352,488
Performance fee	306,704	-
Service charge costs	10,000	-
Sundry expenses	3,801	-
Included within creditors		
Trade creditors	147,842	-
Other creditors	306,704	-

All transactions were undertaken on normal commercial terms

Initial set up costs of the partnership have been borne by the investors in the General Partner, the National Farmers Union Mutual Insurance Society Limited and Salmon Harvester Properties Limited, in equal proportions

13 ULTIMATE CONTROLLING PARTY

The National Farmers Union Mutual Insurance Society Limited is deemed to be the ultimate controlling party by virtue of its shareholding in the General Partner

No single party had ultimate control over the NFUM during the current or the previous year