

Dencora Mason Road LLP

Report and Financial Statements

For the Year Ended ,

31 December 2014

Registered Number: OC319548

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DENCORA MASON ROAD LLP

Financial statements

Year ended 31 December 2014

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DENCORA MASON ROAD LLP

Designated members and officers

Designated members

S Jones (resigned 14th November 2014)
Dencora 2000 Limited
Dencora Estates Limited (appointed 14th November 2014)

Members

None

Secretary

O B Chipperfield

Registered office

Dencora Court
2 Meridian Way
Norwich
NR7 0TA

Auditors

Lovewell Blake LLP
Statutory Auditor
Chartered Accountants
Bankside 300, Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Bankers

Lloyds TSB Bank plc
The Undercroft
3 Queen Street
Norwich
NR2 4SG

Solicitors

Mills & Reeve
1 St James Court
Whitefriars
Norwich
NR3 1RU

DENCORA MASON ROAD LLP

The report of the members Year ended 31 December 2014

The designated members submit their report and the financial statements of Dencora Mason Road LLP for the year ended 31 December 2014.

Principal activities

The principal activity of the limited liability partnership is that of property investment.

Designated Members

The following were designated members during the year:

S Jones (Designated member resigned 14th November 2014)
Dencora 2000 Limited (Designated member)
Dencora Estates Limited (Designated member appointed 14th November 2014)

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members

Income profits are solely for the benefit of Dencora 2000 Limited, none of the other members have any entitlement to income profits. Capital profits are attributable to all members in accordance with the partnership agreement subject to making good any revenue account deficit first. Capital profits will be repaid to the members on the sale of property subject to cash flow or credited to their current account. If the LLP requires additional permanent working capital this shall be contributed by the members' pro-rata to the initial capital contribution except for Mr Jones who will also contribute by way of additional loan.

Responsibilities of the members

The members are responsible for preparing the Members' 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 those financial statements, the members are required to:

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). The members 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.

DENCORA MASON ROAD LLP

The report of the members (continued) Year ended 31 December 2014

In so far as the members are aware:

- there is no relevant audit information of which the LLP's auditor is unaware; and
- the members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

Lovewell Blake LLP shall be deemed to be re-appointed under section 487(2) of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008.

Small LLP provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 (as applied to limited liability partnerships by regulation 3 of the Limited Liability Partnerships Regulations 2008).

Registered office:
Dencora Court
2 Meridian Way
Norwich
NR7 0TA

Signed by order of the members



O B Chipperfield
Secretary

Approved by the members on 3/9/2015

DENCORA MASON ROAD LLP

Independent auditor's report to the members of Dencora Mason Road LLP Year ended 31 December 2014

We have audited the financial statements of Dencora Mason Road LLP for the year ended 31 December 2014 which comprise the Balance Sheet, the Profit and Loss Account and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2014, 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 Limited Liability Partnerships Regulations 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 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; or
- the members were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the members' report.

Bankside 300, Peachman Way
Norwich
Norfolk
NR7 0LB

 Lovewell Blake LLP

Simon Watson FCCA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

3 September 2015

DENCORA MASON ROAD LLP

Profit and loss account for the year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover	1	158,981	152,614
Cost of sales		<u>(16,235)</u>	<u>(26,312)</u>
Gross profit		142,746	126,302
Administration expenses		<u>16,271</u>	<u>(18,715)</u>
Operating profit	2	159,017	107,587
Interest received		374	-
Interest payable		<u>(71,636)</u>	<u>(67,962)</u>
Profit for the financial year before members remuneration	7	87,755	39,625
Members remuneration		<u>(87,755)</u>	<u>(39,625)</u>
Result for the year available for discretionary division amongst members		<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 9 to 14 form part of these financial statements

DENCORA MASON ROAD LLP

Statement of total recognised gains and losses

Year ended 31 December 2014

	2014	2013
	£	£
Profit for the financial year before members profit share	87,755	39,625
Unrealised profit on revaluation of certain fixed assets	<u>135,000</u>	=
Total gains and losses recognised since the last annual report	<u>222,755</u>	<u>39,625</u>

The notes on pages 9 to 14 form part of these financial statements

DENCORA MASON ROAD LLP**Balance sheet at 31 December 2014****Registered Number: OC319548**

	Notes	2014 £	2013 £
Fixed assets			
Tangible assets	3	<u>1,850,000</u>	<u>1,715,000</u>
Current assets			
Debtors due within one year	4	<u>22,682</u>	<u>24,434</u>
Cash at bank and in hand		<u>9,590</u>	<u>171,789</u>
		32,272	196,223
Current liabilities			
Creditors: amounts falling due within one year	5	<u>(54,665)</u>	<u>(1,744,647)</u>
Net current liabilities		(22,393)	(1,548,424)
Total assets less current liabilities		1,827,607	166,576
Creditors: Amounts falling due after more than one year		<u>-</u>	<u>-</u>
Net assets attributable to members		<u>1,827,607</u>	<u>166,576</u>
Represented by:			
Loans and other debts due to members within year			
Members' capital classified as a liability under FRS25		<u>473,397</u>	<u>473,397</u>
Revaluation Reserve		<u>(297,000)</u>	<u>(432,000)</u>
Members Loans		<u>1,623,830</u>	<u>85,554</u>
Members' current account		<u>27,380</u>	<u>39,625</u>
Total members' interest	6	<u>1,827,607</u>	<u>166,576</u>
TOTAL MEMBERS' INTERESTS			
Amounts due to members		<u>176,397</u>	<u>41,397</u>
Loans and other debts due to members	8 (a)	<u>1,651,210</u>	<u>125,179</u>
Members' other interests	8 (b)	<u>-</u>	<u>-</u>
		<u>1,827,607</u>	<u>166,576</u>

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

These financial statements were approved by the members and authorised for issue on 31/9/2015, and are signed on their behalf by:

O.B. Chipperfield

Dencora 2000 Limited

The notes on pages 9 to 14 form part of these financial statements

DENCORA MASON ROAD LLP

Notes to the financial statements Year ending 31 December 2014

1. Accounting Policies

Basis of accounting

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

Turnover

The turnover shown in the profit and loss account represents the amount of goods, rental income and management charges. The partnership's turnover is derived from its principal activity. All turnover is derived from the United Kingdom.

Members' participation rights

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

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

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

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

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

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

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

DENCORA MASON ROAD LLP

Notes to the financial statements (continued)

Year ending 31 December 2014

Properties held as fixed assets

Completed investment properties are valued annually by the members based upon professional valuations performed by chartered surveyors, to market value in accordance with the RICS Appraisal and Valuation Manual. Inspections of all properties are carried out every fourth year.

Investment properties under development are carried at the lower of cost and members' valuation. However, where the basic structure of the building is complete and at least 90% of the building let, or where the building in its existing state can be sold without the need to carry out further work, then the property is carried at market value less an estimate of the cost to complete.

The cost of properties includes direct costs, a proportion of applicable overheads and interest (less net income received) for a year until no later than six months after the certificate of practical completion of construction has been issued, less provision in the event of a permanent diminution in value.

Surpluses and subsequent deficits on revaluations are taken to a revaluation reserve. If a property held as a fixed asset is sold, the difference between sales proceeds and balance sheet value is treated as a profit or loss in the current year's profit and loss account, and the previous revaluation surplus or deficit is reclassified under the members current account.

Depreciation on investment properties has been taken into consideration in the annual revaluations and therefore has not been charged in the profit and loss account. This complies with the FRSSE and although it is contrary to the Companies Act 2006 (as applicable to limited liability partnerships), the designated members consider the accounts show a true and fair view. The amount of depreciation has not been quantified as it is only one of many factors included in the valuation.

Acquisitions and disposals of properties

Acquisitions and disposals of investment properties are considered to have taken place where (even if legal completion has not taken place) there is legally binding, unconditional and irrevocable contract, and provided that the properties being sold are substantially complete.

Leasehold assets

Ground rents due under headleases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Reverse premiums and similar incentives received to enter into operating lease agreements are released to the profit and loss account over the year to the date on which the rent is first expected to be adjusted to the prevailing market rate.

DENCORA MASON ROAD LLP

Notes to the financial statements (continued) Year ended 31 December 2014

2. Operating profit

	2014	2013
	£	£
Operating profit is stated after charging		
Auditors' remuneration	<u>2,000</u>	<u>2,000</u>

3. Tangible fixed assets

	Freehold Property £
<i>Cost or valuation</i>	
At 1 January 2014	1,715,000
Disposals	-
Surplus on revaluation	<u>135,000</u>
At 31 December 2014	<u>1,850,000</u>
<i>Net book value</i>	
At 31 December 2014	<u>1,850,000</u>
At 31 December 2013	<u>1,715,000</u>

Historical cost	2014	2013
	£	£
The historical cost net book value of land and buildings is:		
Freehold investment properties	<u>2,147,000</u>	<u>2,147,000</u>

The land and buildings held as at 31 December 2014 as investment properties were valued by the members at market value. The members are of the opinion that the deficit on valuation is a temporary diminution in value.

4. Debtors due within one year

	2014	2013
	£	£
Trade debtors	21,990	13,309
Amounts owed by group undertakings	-	-
Sundry debtors	<u>692</u>	<u>11,125</u>
	<u>22,682</u>	<u>24,434</u>

DENCORA MASON ROAD LLP

Notes to the financial statements (continued) Year ended 31 December 2014

5. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Bank loan (secured)	-	1,610,117
Trade creditors	2,255	5,407
Accruals and deferred income	44,320	123,211
Other taxes and social security costs	8,090	5,912
	<u>54,665</u>	<u>1,744,647</u>

DENCORA MASON ROAD LLP

Notes to the financial statements (continued)
Year ended 31 December 2014

6. Loans and other debtors due to members

	Members' Capital	Members' Revaluation Reserve	Members' other interests current account	Total	Loans and other debts due to/(from) members	Total
	£	£	£	£	£	£
Amounts due to members	473,397	-	39,625	513,022	85,554	598,576
Amounts due from members	-	(432,000)	-	(432,000)	-	(432,000)
Members' interest as at 1 January 2014	473,397	(432,000)	39,625	81,022	85,554	166,576
Members remuneration credited as income	-	-	87,755	87,755	34,521	122,276
Members' interests after profit/(loss) for the year	473,397	(432,000)	127,380	168,777	120,075	288,852
Allocated profit/(losses):		-	-			
Surplus arising on revaluation of fixed assets	-	135,000	-	135,000	-	135,000
Introduced by members:	12,006	-	-	12,006	1,538,276	1,550,282
Repayments of capital	(12,006)	-	-	(12,006)	-	(12,006)
Repayments of debt (including members' capital classified as a liability)	-	-	-	-	-	-
Drawings	-	-	(100,000)	(100,000)	(34,521)	(134,521)
Other movements	-	-	-	-	-	-
Amounts due to members	473,397	-	27,380	500,777	1,623,830	2,124,607
Amounts due from members	-	(297,000)	-	(297,000)	-	(297,000)
Balance at 31 December 2014	473,397	(297,000)	27,380	203,777	1,623,830	1,827,607

DENCORA MASON ROAD LLP

Notes to the financial statements (continued) **Year ended 31 December 2014**

7. Related Party Transactions

The partnership entered into the following arrangements:

Capital contribution outstanding from Dencora 2000 Limited of £461,391 (2013: £461,391), and its 100% share of the income profits for the year of £87,755 (2013: £39,625), the balance outstanding at the year-end of £27,380 (2013: £39,625).

During the year the partnership paid loan interest of £34,521 (2013: £Nil) on a £1,500,000 loan from Dencora 2000 Limited.

Dencora Estates Limited the new designated corporate member of the LLP, agreed to purchase the whole of the individual member minority interest on the 14th November 2014, in order to simplify the group structure. Capital contribution outstanding from Dencora Estates Limited of £12,006 (2013: £Nil)

8. Total Members Interests

Loans and other debts due to members balance sheet items 9 (a) and members other interests 9 (b) will, in the administration or winding up of the partnership, rank behind (and only be paid after full payment has been made in respect of) all amounts due to the unsecured creditors who are not members.

9. Controlling party

The results of this LLP are consolidated in Dencora 2000 Limited's accounts being the ultimate parent undertaking. Dencora 2000 Limited is a company registered in England and Wales and its group financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.