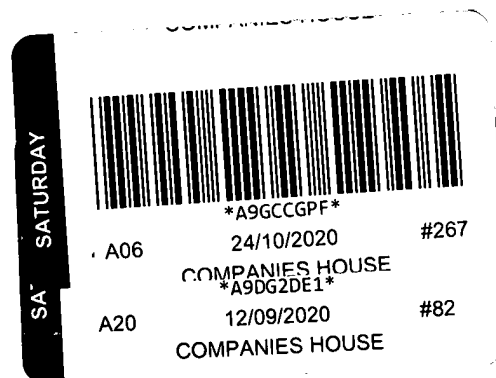


KILMORIE INVESTMENTS LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020



KILMORIE INVESTMENTS LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members Kilmore Properties Limited
GHL (Kilmore) Limited

Limited liability partnership number OC324376

Registered office 3rd Floor
Sterling House
Langston Road
Loughton
Essex
IG10 3TS

Auditor BDO LLP
55 Baker Street
London
United Kingdom
W1U 7EU

Business address PO Box 206
Loughton
Essex
IG10 1PL

Solicitors Howard Kennedy LLP
19 Cavendish Square
London

KILMORIE INVESTMENTS LLP

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KILMORIE INVESTMENTS LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The members present their annual report and financial statements for the year ended 31 March 2020.

Principal activities

The principal activity of the limited liability partnership continued to be that of property development.

Members' drawings, contributions and repayments

The Partnership Agreement governs policies for members' drawings, subscription and repayment of members' capital.

No drawings or other payments can be made to or on behalf of any members, other than by distribution of profits, without the consent of the members. The partnership will reserve, out of profits before distribution, sufficient fund to provide for the working capital requirements of the business.

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

Kilmorie Properties Limited
GHL (Kilmorie) Limited

Auditor

This report has been prepared in accordance with the special provisions and part 15 of the Companies Act 2006 (as applied to limited liability partnerships (Accounts and Audit) (Application of Companies Act) Regulations 2008) relating to small limited liability partnerships.

In accordance with the limited liability partnership's articles, a resolution proposing that BDO LLP be reappointed as auditors of the limited liability partnership will be put at a General Meeting

Statement of members' responsibilities

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 United Kingdom Generally Accepted Accounting Practice. 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these 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 limited liability partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership 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). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KILMORIE INVESTMENTS LLP

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Statement of disclosure to auditor

Each of the members in office at the date of approval of this annual report confirms that:

- so far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditor is unaware, and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the limited liability partnership's auditor is aware of that information.

Going Concern

The effects of the COVID-19 pandemic on the company were quite limited in the year under review. The lockdown was imposed by the government with only one week of the financial year remaining. Since the year end, there has been an immaterial impact to the business and as such the directors are confident that with continued support of Galliard Group Limited, any long term effects of the pandemic will be minimal. The directors are satisfied that the current crisis will not have a materially adverse effect on the ability of the company to trade as a going concern for the foreseeable future.

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

Approved by the members on 17 August 2020 and signed on behalf by:


GHL (Kilmorie) Limited
Designated Member

KILMORIE INVESTMENTS LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KILMORIE INVESTMENTS LLP

Opinion

We have audited the financial statements of Kilmorie Investments LLP (the 'limited liability partnership') for the year ended 31 March 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial position, the reconciliation of members' interests and notes to the financial statements, 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 FRS 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 limited liability partnership's affairs as at 31 March 2020 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 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 limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 limited liability partnership'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.

Other information

The members are responsible for the other information. The other information comprises the information included in the members' 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, except to the extent otherwise explicitly stated in our report, 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.

KILMORIE INVESTMENTS LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KILMORIE INVESTMENTS LLP

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 applied to limited liability partnerships 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 the financial statements in accordance with the small limited liability partnerships regime and take advantage of the small companies' exemptions in preparing the Members' report.

Responsibilities of members

As explained more fully in the members' responsibilities statement, 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 directors are responsible for assessing the limited liability partnership'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 directors either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's 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: <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 limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) 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 undertake 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.

KILMORIE INVESTMENTS LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF KILMORIE INVESTMENTS LLP

BDO LLP

Christopher Young (Senior Statutory Auditor)
for and on behalf of BDO LLP

Statutory Auditor

17 August 2020

55 Baker Street
London
United Kingdom
W1U 7EU

BDO LLP is a limited liability partnership registered in England and in Wales (with registered number OC305127)

KILMORIE INVESTMENTS LLP

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2020

		2020	2019
	Notes	£	£
Cost of sales		(30,640)	(21,785)
Administrative expenses		(2,620)	(2,386)
Other operating income		1,033,618	744,265
Operating profit	2	1,000,358	720,094
Investment income	3	557	986
Profit for the financial year before members' remuneration and profit shares		1,000,915	721,080
Profit for the financial year before members' remuneration and profit shares		1,000,915	721,080
Members' remuneration charged as an expense		-	-
Profit for the financial year available for discretionary division among members		1,000,915	721,080

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 13 form part of these financial statements.

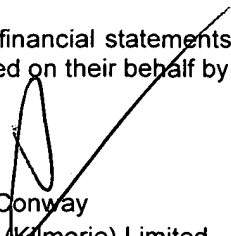
KILMORIE INVESTMENTS LLP

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Inventories		7,510,187		7,430,681	
Trade and other receivables		434,200		637,722	
Cash and cash equivalents		519,963		51,302	
		<u>8,464,350</u>		<u>8,119,705</u>	
Current liabilities		<u>(8,464,250)</u>		<u>(8,119,605)</u>	
Net current assets			100		100
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability			100		100
Total members' interests					
Loans and other debts due to members			100		100

The financial statements were approved by the members and authorised for issue on 17 August 2020 and are signed on their behalf by:


S S Conway
GHL (Kilmorie) Limited
Designated member

Limited Liability Partnership Registration No. OC324376

The notes on pages to 0 form part of these financial statements.

KILMORIE INVESTMENTS LLP

RECONCILIATION OF MEMBERS' INTERESTS

FOR THE YEAR ENDED 31 MARCH 2020

	Members' capital (classified as equity) £	Other reserves £	Other amounts £	Total £
Balance at 31 March 2018	100	1,319,401	-	1,319,501
Profit for the financial year available for discretionary division among members	-	721,080	-	721,080
Other divisions of profits	-	(2,040,481)	-	(2,040,481)
Balance at 31 March 2019	100	-	-	100
Profit for the financial year available for discretionary division among members	-	1,000,915	-	1,000,915
Other divisions of profits	-	(1,000,915)	-	(1,000,915)
Members' interests at 31 March 2020	100	-	-	100

KILMORIE INVESTMENTS LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Limited liability partnership information

Kilmorie Investments LLP is a limited liability partnership incorporated in England and Wales. The registered office is 3rd Floor, Sterling House, Langston Road, Loughton, Essex, IG10 3TS.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The preparation of financial statements in compliance with FRS102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies. The following principal accounting policies have been applied

1.2 Going concern

The effects of the COVID-19 pandemic on the company were quite limited in the year under review. The lockdown was imposed by the government with only one week of the financial year remaining. Since the year end, there has been an immaterial impact to the business and as such the directors are confident that with continued support of Galliard Group Limited, any long term effects of the pandemic will be minimal. The directors are satisfied that the current crisis will not have a materially adverse effect on the ability of the company to trade as a going concern for the foreseeable future.

1.3 Revenue

Turnover comprises amounts receivable from the sale of developed units being amounts received on legal completion.

1.4 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

KILMORIE INVESTMENTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.6 Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

1.7 Equity instruments

Equity instruments issued by the limited liability partnership are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the limited liability partnership.

1.8 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.9 Finance Costs

Finance costs are charged to profit over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs, which are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.10 Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. The company has not classified any financial liabilities as FVTPL.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

KILMORIE INVESTMENTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.11 Critical accounting estimates and judgements

The company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The area where assumptions and estimates are significant to the financial statements is:

Critical judgements

Carrying value of inventories

In applying the company's accounting policy for the valuation of inventories the Directors are required to assess the expected selling price and costs to sell each of the units that constitute the company's work in progress. Cost includes the cost of acquisition of sites, the cost of infrastructure and construction works, and legal and professional fees incurred during development prior to sale. Estimation of the selling price is subject to significant inherent uncertainties, in particular the prediction of future trends in the market value of property.

Whilst the Directors exercise due care and attention to make reasonable estimates, taking into account all available information in estimating the future selling price, the estimates will, in all likelihood, differ from the actual selling prices achieved in future periods and these differences may, in certain circumstances, be very significant.

2 Operating profit

	2020	2019
	£	£
Operating profit for the year is stated after charging:		
Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements	2,000	2,000
Fees payable to the company's auditor for non audit services	-	500
	<u>2,000</u>	<u>2,500</u>

3 Investment income

	2020	2019
	£	£
Investment income includes the following:		
Interest on bank deposits	557	986
	<u>557</u>	<u>986</u>

4 Inventories

	2020	2019
	£	£
Inventories	7,510,187	7,430,681
	<u>7,510,187</u>	<u>7,430,681</u>

Included in the inventories are borrowing costs of £396,952 (2019 - £396,952)

KILMORIE INVESTMENTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Trade and other receivables

	2020	2019
	£	£
Amounts falling due within one year:		
Trade receivables	9,555	150,938
Other receivables	424,645	486,784
	<u>434,200</u>	<u>637,722</u>

6 Current liabilities

	2020	2019
	£	£
Trade payables	2,400	-
Amounts due to group undertakings	8,033,162	7,792,513
Other taxation and social security	100,501	55,838
Other payables	328,187	271,254
	<u>8,464,250</u>	<u>8,119,605</u>

There are no amounts included under current liabilities which are payable or repayable other than by instalments and fall due for payment or repayment after the end of the period of five years beginning with the day next following reporting date.

7 Operating lease commitments

Lessor

At the reporting end date the limited liability partnership had contracted with tenants for the following minimum lease payments:

	2020	2019
	£	£
Within one year	1,084,916	821,501
Between two and five years	4,339,664	3,286,004
In over five years	42,535,296	42,398,307
	<u>47,959,876</u>	<u>46,505,812</u>

KILMORIE INVESTMENTS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Parent company

The members are GHL (Kilmorie) Limited and Kilmorie Properties Limited who are wholly owned by Galliard Group Limited whose principal place of business is London, United Kingdom.

Copies of the group financial statements of Galliard Group Limited are available from 3rd Floor Sterling House, Langston Road, Loughton, IG10 3TS.

In the opinion of the directors the ultimate controlling party is Stephen Conway.

9 Information in relation to members

	2020	2019
	Number	Number
The average number of members during the year was:	<u>2</u>	<u>2</u>