


Limited Liability Partnership Registration No. OC347835 (England and Wales)

**NATURAL LAND 1 LLP**  
**REPORT AND UNAUDITED FINANCIAL**  
**STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2016**

**PAGES FOR FILING WITH REGISTRAR**

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**NATURAL LAND 1 LLP****STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Current assets</b>					
Debtors		3		-	
Cash at bank and in hand		4		657	
		<u>7</u>		<u>657</u>	
<b>Creditors: amounts falling due within one year</b>	<b>3</b>	<u>(3,550)</u>		<u>(3,610)</u>	
<b>Net current liabilities</b>			<u>(3,543)</u>		<u>(2,953)</u>
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>	<b>4</b>				
Amounts due in respect of profits			829,102		687,721
<b>Members' other interests</b>	<b>4</b>				
Members' capital classified as equity			65		65
Other reserves classified as equity			(832,710)		(690,739)
			<u>(3,543)</u>		<u>(2,953)</u>
<b>Total members' interests</b>	<b>4</b>				
Loans and other debts due to members			829,102		687,721
Members' other interests			(832,645)		(690,674)
			<u>(3,543)</u>		<u>(2,953)</u>

The members have elected not to include a copy of the income statement within the financial statements.

## NATURAL LAND 1 LLP

### STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2016

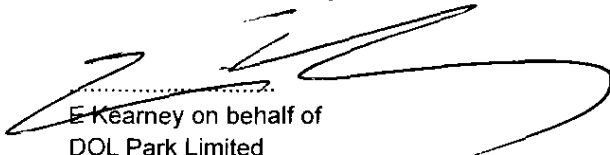
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For the financial year ended 31 December 2016 the limited liability partnership was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary undertakings (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

The members acknowledge their responsibility for complying with the requirements of the Companies Act 2006 (as applied to Limited Liability Partnerships) with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the special provisions of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008) applicable to limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 26-09-17 and are signed on their behalf by:



E Kearney on behalf of  
DOL Park Limited  
Designated member

# NATURAL LAND 1 LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Limited liability partnership information

Natural Land 1 LLP is an LLP incorporated in England and Wales. The registered office is 1st Floor Whitecroft House, 51 Water Lane, Wilmslow, Cheshire, SK9 5BQ.

The LLP's principal activities and nature of its operations are disclosed in the Members' Report.

#### 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 limited liability partnerships subject to the small limited liability partnerships 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.

These financial statements are the first financial statements of Natural Land 1 LLP prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102). The financial statements of Natural Land 1 LLP for the year ended 31 December 2015 were prepared in accordance with previous UK GAAP.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the directors have amended certain accounting policies to comply with FRS 102. The directors have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### Going concern

As part of its going concern review the Board has followed the guidelines published by the Financial Reporting Council entitled "Going Concern and Liquidity Risk: Guidance for UK Companies 2009". The Board has prepared detailed financial forecasts and cash flows looking 12 months ahead from the date the accounts are signed. In drawing up these forecasts the Board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period.

The LLP is currently in its development phase with the balance sheet showing net liabilities of £3,543 (2015 - £2,953). The LLP's property is still currently under development and so the company is reliant on group support to cover its working capital requirements.

The LLP has support from related parties, including its ultimate parent undertaking, and in turn, from the loan holder (and main shareholder) in the ultimate parent undertaking. The loan holder (and major shareholder) is considered to have adequate capabilities to provide support as required and has formally confirmed that he will support the company and its parent undertaking for at least the next 12 months.

The current cash funding requirements prepared by management have given the directors a reasonable expectation that the LLP will have sufficient resources available to continue in operational existence for the foreseeable future, with the confirmed continued support of its parent company and loan holder as noted above. For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis.

# NATURAL LAND 1 LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies (Continued)

#### **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 section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

Whilst the members' agreement does not differentiate between profits and losses for profit sharing purposes, it does stipulate that the LLP cannot demand additional contributions from members, and as a result the LLP does not have an unconditional right to demand payment from members for losses. Therefore, to the extent that losses exceed the balance on capital and current accounts, they are not recognised as a recoverable asset and so remain within equity until such time as [profits are generated to set them against or detail other conditions as appropriate].

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

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.

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases

Development property	no depreciation
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

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

Cash and cash equivalents 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.

# NATURAL LAND 1 LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies (Continued)

#### **Financial instruments**

The LLP has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the LLP'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.

#### **Basic financial assets**

Basic financial assets, which include other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

#### **Classification of financial liabilities**

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

#### **Basic financial liabilities**

Basic financial liabilities, including other payables, are initially recognised at transaction price.

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

#### **Equity instruments**

Equity instruments issued by the LLP are recorded at the fair value of 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.

### 2 Tangible fixed assets

	<b>Land and buildings</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	597,176
<b>Depreciation and impairment</b>	
At 1 January 2016 and 31 December 2016	597,176
<b>Carrying amount</b>	
At 31 December 2016	-
At 31 December 2015	-

# NATURAL LAND 1 LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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**3 Creditors: amounts falling due within one year**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Other taxation and social security	-	225
Other creditors	3,550	3,385
	<u>3,550</u>	<u>3,610</u>

# NATURAL LAND 1 LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

4 Reconciliation of Members' Interests		EQUITY		DEBT		TOTAL	
		Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS	
	Members' capital (classified as equity)	Other reserves	Total equity	Other amounts	2016	2015	
	£	£	£	£	£	£	£
Amounts due to members				687,721			
Members' interests at 1 January 2016	65	(690,739)	(690,674)	687,721	(2,953)	(311)	
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	139,481	139,481	95,929	
Loss for the year available for discretionary division among members	-	(141,971)	(141,971)	-	(141,971)	(98,262)	
Members' interests after loss and remuneration for the year	65	(832,710)	(832,645)	827,202	(5,443)	(2,644)	
Introduced by members	-	-	-	1,900	1,900	-	
Drawings	-	-	-	-	-	(309)	
Members' interests at 31 December 2016	65	(832,710)	(832,645)	829,102	(3,543)	(2,953)	
Amounts due to members				829,102			
				829,102			



# NATURAL LAND 1 LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2016

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### 5 Loans and other debts due to members

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

### 6 Related party transactions

#### Natural Retreats UK Limited

The company's directors EJ Kearney, MD Spence and A Wild together with the controlling party D Gorton have interests in Natural Retreats Management LLC, a company incorporated in the USA, Natural Retreats UK Limited is a subsidiary of Natural Retreats Management LLC.

During the period the LLP received services amounting to £13 (2015 - £nil) from Natural Retreats UK Limited. At 31 December 2016 £nil (2015 - £nil) was owing to Natural Retreats UK Limited

#### DOL Park Limited

During the period interest totalling £139,481 (2015 - £95,929) was payable to DOL Park Limited, a designated member of the LLP.

The LLP has entered into a composite unlimited multilateral guarantee dated 22 December 2014 in respect of the bank borrowings of other group companies and K2 Equity Partners LLP. At 31 December 2016 the total borrowings covered by the guarantee amounted to £3,920,222 (2015: £3,807,864).

The bank holds a debenture for any borrowings, which includes a fixed charge over all present freehold and leasehold property; a first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, and a first floating charge over all assets and undertaking both present and future.

### 7 Parent company

The LLP is owned 100% by its designated member DOL Park Limited, which is wholly owned by Natural Assets Investments Limited, a company registered in England and Wales.

The LLP is controlled by its members as delegated to the management team and as such there is no one controlling party.

#### Parental guarantee

The ultimate parent company, Natural Assets Investments Limited has given a guarantee under Section 479C of the Companies Act 2006. Natural Land 1 LLP is therefore exempt from the requirements of this Act relating to the audit of individual accounts by virtue of section 479A.