

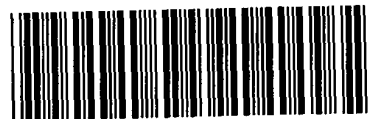
Cumberland House BPRA Property Fund LLP

Registered number: OC350418

Annual report and financial statements

For the year ended 5 April 2017

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CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

INFORMATION

Designated Members

Downing Corporate Finance Limited
Downing Members Limited

LLP registered number

OC350418

Registered office

6th Floor
St Magnus House
3 Lower Thames Street
London
EC3R 6HD

Independent auditor

Mazars LLP
Chartered Accountants
Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Bankers

The Royal Bank of Scotland
36 St Andrew Square
Edinburgh
EH2 2YB

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

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CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

MEMBERS' REPORT FOR THE YEAR ENDED 5 APRIL 2017

The members present their annual report together with the audited financial statements of Cumberland House BPRA Property Fund LLP (the "LLP") for the ended 5 April 2017.

Principal activities

The principal activity of the LLP during the year has been the rental of the property known as Cumberland House, Birmingham.

The address of the hotel is:
200 Broad Street
Birmingham
B15 1SU

Designated Members

The following were Designated Members throughout the year, unless otherwise stated:

Downing Corporate Finance Limited
Downing Members Limited

Members' capital and interests

Policy with respect to members' capital

The initial members' capital contribution was £15,530,000. If Downing LLP, acting as operator determines that the LLP requires additional funds (in excess of the initial capital contribution) for the purposes of the business, it shall consider the most appropriate source of funding including the use of third party financing and/or additional funding provided by some or all of the members.

The members acknowledge that third party finance is required for the acquisition of the long leasehold interest over the property and refurbishment thereof.

Policy with respect to members' distributions

Following the sale of the property, the LLP shall, in priority of any distribution made to the members, pay to Downing LLP a sales fee of an amount equal to 1.0% (plus VAT if applicable) of the proceeds realised from the sale of the property, before the deduction of sales costs, following which the balance of the sales proceeds, net of all expenses, will be distributed to the members. Such fee shall be payable whether or not Downing LLP is then a designated member or the operator of the LLP.

All distributions shall be made to the members pro rata to their respective capital contribution as at the date of such distribution, save as varied in accordance with the members' agreement. The timing of distributions shall be made at the discretion of the operator.

Notwithstanding the above, no sums shall be distributed from the LLP which would result in the LLP being unable to meet its obligations to third parties (in the ordinary course) and pursuant to any facility agreement entered into from time to time or which would render the LLP insolvent.

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

Members are not permitted to make drawings in anticipation of profits to be allocated to them. New members are required to subscribe a minimum level of capital.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 5 APRIL 2017

Members' responsibilities statement

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 (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 these financial statements, the members 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 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 to 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 the Companies Act 2006) Regulations 2008). They 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.

Disclosure of information to auditor

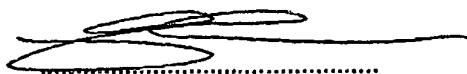
Each of the persons who are members at the time when this Members' Report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditor is unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, has indicated its willingness to continue in office. The Designated members will propose a motion re-appointing the auditor at a meeting of the members.

This report was approved by the members on 4 January 2018 and signed on their behalf by:


.....
Downing Members Limited
Designated member

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

We have audited the financial statements of Cumberland House BPRA Property Fund LLP for the year ended 5 April 2017 which comprise the Statement of Comprehensive Income, 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), including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 2, 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 Ethical Standards for Auditors. This report is made solely to the LLP's members as a body in accordance with the Companies Act 2006, as applied by Part 12 of 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 LLP'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 LLP and the LLP's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 5 April 2017 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.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

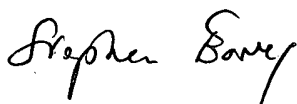
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

Matters on which we are required to report by exception

In light of the knowledge and understanding of the LLP and its environment obtained in the course of the audit, we have not identified material misstatements in the Members' Report.

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.



Stephen Eames (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

4 January 2018

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 5 APRIL 2017

	Note	2017 £	2016 £
Turnover		2,549,714	2,446,901
Administrative expenses	4	318,854	(1,062,169)
Operating profit	4	2,868,568	1,384,732
Interest payable and expenses	8	(514,486)	(640,349)
Profit before tax		2,354,082	744,383
Profit for the year before members' remuneration and profit shares available for discretionary division among members and total comprehensive income		2,354,082	744,383

There were no recognised gains and losses for 2017 or 2016 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2017(2016 - £NIL).

The notes on pages 9 to 22 form part of these financial statements.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

Registered number: OC350418

**BALANCE SHEET
AS AT 5 APRIL 2017**

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	17,178	262,602
Investments	10	5	1
Investment property	11	31,100,000	31,100,000
		<u>31,117,183</u>	<u>31,362,603</u>
Current assets			
Debtors: amounts falling due within one year	12	2,364,614	262,576
Cash and cash equivalents	13	436,615	482,523
		<u>2,801,229</u>	<u>745,099</u>
Creditors: Amounts Falling Due Within One Year	14	(757,963)	(505,137)
Net current assets		<u>2,043,266</u>	<u>239,962</u>
Total assets less current liabilities		<u>33,160,449</u>	<u>31,602,565</u>
Creditors: amounts falling due after more than one year	15	(17,108,886)	(17,905,084)
		<u>16,051,563</u>	<u>13,697,481</u>
Net assets		<u><u>16,051,563</u></u>	<u><u>13,697,481</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' other interests			
Members' capital classified as equity	15,530,000	15,530,000	
Other reserves classified as equity	521,563	(1,832,519)	
		<u>16,051,563</u>	<u>13,697,481</u>
		<u><u>16,051,563</u></u>	<u><u>13,697,481</u></u>
Total members' interests			
Members' other interests		<u>16,051,563</u>	<u>13,697,481</u>
		<u><u>16,051,563</u></u>	<u><u>13,697,481</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

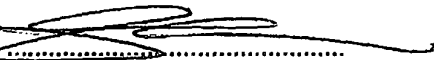
CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

Registered number: OC350418

BALANCE SHEET (CONTINUED)

AS AT 5 APRIL 2017

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 4 January 2018.



Downing Members Limited

Designated member

The notes on pages 9 to 22 form part of these financial statements.

Cumberland House BPRA Property Fund LLP has no equity and, in accordance with the provisions contained within the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", has not presented a Statement of Changes in Equity.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

RECONCILIATION OF MEMBERS' INTERESTS FOR THE YEAR ENDED 5 APRIL 2017

	EQUITY		
	Members' capital (classified as equity) £	Other reserves £	Total £
Balance at 6 April 2015	15,530,000	(2,576,902)	12,953,098
Profit for the year available for discretionary division among members	-	744,383	744,383
Members' interests after profit for the year	15,530,000	(1,832,519)	13,697,481
Balance at 5 April 2016	15,530,000	(1,832,519)	13,697,481
Profit for the year available for discretionary division among members	-	2,354,082	2,354,082
Members' interests after profit for the year	15,530,000	521,563	16,051,563
Balance at 5 April 2017	15,530,000	521,563	16,051,563

The notes on pages 9 to 22 form part of these financial statements.

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

1. General information

Cumberland House BPRA LLP ('the LLP') is a limited liability partnership incorporated in the United Kingdom. The address of its registered office and principal place of business is 6th Floor St Magnus House, 3 Lower Thames Street, London, England, EC3R 6HD.

The principal activity of the LLP is the rental of the property known as Cumberland House, Broad Street, Birmingham.

The address of the hotel is:
200 Broad Street
Birmingham
B15 1SU

The functioning currency of the LLP is Pounds Sterling as this is the currency of the primary economic environment in which the LLP operates. Monetary amounts in these financial statements are rounded to the nearest £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

These financial statements for the year ended 5 April 2017 are the first financial statements of Cumberland House BPRA Property Fund LLP prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to Section 1A of Financial Reporting Standard 102 was 6 April 2015. The impact of first-time adoption of Section 1A of Financial Reporting Standard 102 is given in note 19.

The following principal accounting policies have been applied:

2.2 FRS 102 Section 1A disclosure exemptions

FRS 102 Section 1A allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including the notification of and no objection to, the use of exemptions by the LLP's shareholders. In preparing the financial statements, the LLP has taken advantage of the following exemptions:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 Related Party Disclosures;
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 Statement of Financial Position; and
- from presenting a Statement of Cash Flows, as required by Section 7 Statement of Cash Flows.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

2. Accounting policies (continued)

2.3 Going concern

The LLP meets its property and other commitments through a bank loan which has quarterly interest payments, which the LLP meets through the receipts of property rentals. The Designated Members, having reviewed forecasted future rentals of the business for at least 12 month from the date of approval of the accounts and given the loans in place are satisfied that the LLP has adequate resources to continue in business for the foreseeable future. For this reason, the Designated Members believe that the LLP continues to be a going concern and that it is appropriate to prepare the accounts on the going concern basis.

2.4 Cash flow

The financial statements do not include a cash flow statement because the LLP, as a small reporting entity, is exempt from the requirement to prepare such a statement under Section 1A of Financial Reporting Standard 102.

2.5 Exemption from preparing consolidated financial statements

The LLP, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.6 Turnover

Turnover represents the amounts (excluding value added tax) of rentals receivable during the year.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	- 20% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.8 Investment property

Investment property is carried at fair value determined annually by its designated members and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

2. Accounting policies (continued)

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.12 Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

2. Accounting policies (continued)

2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.14 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.16 Taxation

The taxation payable on the partnership profits is the personal liability of the members, therefore neither the partnership taxation nor related deferred taxation are accounted for in the financial statements.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

2. Accounting policies (continued)

2.17 Members remuneration

A member's share in the profit or loss for the year is accounted for as an allocation of profits or losses. Unallocated profits and losses are included within Other Reserves.

2.18 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/contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that give rise to, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS 102. Members' different participation rights should be analysed separately into liability and equity elements. Depending on the terms of the members' agreement, members' participation rights may give rise to equity or liabilities or both.

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 period 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'.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The key judgements and sources of estimation uncertainty are:

Investment property valuation

Investment property is carried at fair value determined annually by its designated members and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the asset. Management periodically reviews the appropriateness of the valuation and checks for any indication of impairment.

Provision for receivables

The LLP establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the members consider factors such as the ageing of the receivables and past experience of recoverability.

4. Operating profit

The operating profit is stated after charging:

	2017 £	2016 £
Bad debt provision (decrease) / increase	(794,858)	766,983

5. Auditor's remuneration

Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements totalled £3,000 (2016 - £2,700).

6. Employees

The entity has no employees (2016 - 0).

7. Information in relation to members

The average number of members during the year was 210 (2016 - 210).

No member was remunerated by the LLP in the current or prior year.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

8. Interest payable and similar charges

	2017 £	2016 £
Bank interest payable	233,684	367,502
Other loan interest payable	280,802	272,847
	<u>514,486</u>	<u>640,349</u>

9. Tangible fixed assets

	Fixtures & fittings £
Cost or valuation	
At 6 April 2016	1,227,116
At 5 April 2017	<u>1,227,116</u>
Depreciation	
At 6 April 2016	964,514
Charge for the year on owned assets	245,424
At 5 April 2017	<u>1,209,938</u>
Net book value	
At 5 April 2017	<u>17,178</u>
At 5 April 2016	<u>262,602</u>

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

10. Fixed asset Investments

	Investments in subsidiary companies £
Cost or valuation	
At 6 April 2016	1
Additions	4
At 5 April 2017	<u>5</u>
Net book value	
At 5 April 2017	<u>5</u>
At 5 April 2016	<u>1</u>

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

10. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Country of incorporation	Class of shares	Holding	Date of incorporation
Cumberland House Hotel Birmingham Ltd	United Kingdom	£1 Ordinary share	100 %	
Cumberland House Properties Ltd	United Kingdom	£1 Ordinary share	100 %	24 February 2017
Broad Street Commercial Ltd	United Kingdom	£1 Ordinary share	100 %	27 February 2017
Broad Street Unit A Ltd	United Kingdom	£1 Ordinary share	100 %	28 February 2017
Broad Street Unit B Ltd	United Kingdom	£1 Ordinary share	100 %	28 February 2017

During the year ended 5 April 2017, the LLP acquired 4 new subsidiaries on their incorporation date.

The aggregate of the share capital and reserves as at 5 April 2017 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £	Profit/(loss) £
Cumberland House Hotel Birmingham Ltd	(4,010,579)	(456,449)
Cumberland House Properties Ltd	1	-
Broad Street Commercial Ltd	1	-
Broad Street Unit A Ltd	1	-
Broad Street Unit B Ltd	1	-
	<u>(4,010,575)</u>	<u>(456,449)</u>

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

11. Investment property

	Long term leasehold investment property £
Valuation	
At 6 April 2016	31,100,000
At 5 April 2017	31,100,000

The 2017 valuations were made by the Designated Members, on an open market value for existing use basis.

If the investment property had been accounted for under the historic cost accounting rules, the property would have been measured as follows:

	2017 £	2016 £
Historic cost	34,200,000	34,200,000
Accumulated depreciation and impairments	(681,002)	(544,202)
	33,518,998	33,655,798

12. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	1,028,117	259,958
Amounts owed by other subsidiaries (refer to note 9)	1,295,914	-
Other debtors	40,583	2,618
	2,364,614	262,576

Amounts due by group undertakings are interest free and repayable on demand.

13. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	436,615	482,523
	436,615	482,523

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

14. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	495,000	495,000
Trade creditors	75,443	-
Other creditors	173,880	453
Accruals and deferred income	13,640	9,684
	<u>757,963</u>	<u>505,137</u>

Included within other creditors is unpaid share capital of £5 (2016 - £1).

15. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	7,779,500	8,274,500
Other creditors	9,329,386	9,630,584
	<u>17,108,886</u>	<u>17,905,084</u>

Secured loans

The bank loan is secured by a Legal Charge dated 16 November 2010 granting a legal mortgage over the leasehold land and a fixed charge over all assets of the business whether present or future.

The other loan is secured by a Legal Charge dated 16 November 2010 over the leasehold premises.
The other loan is repayable on the earlier of the repayment of the bank loan, sale of the property or eight years from drawdown.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

16. Related party transactions

The LLP has taken advantage of the exemption available in accordance with Section 33 of Financial Reporting Standard 102 not to disclose transactions entered into between two or more members of the group on the grounds that the subsidiary is wholly owned.

During the year, the LLP was recharged expenses of £47,717 (2016 - £6,420) from London Luton Hotel BPRA Property Fund LLP, an entity with common Designated Members.

17. Controlling party

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

18. Winding up

Upon the sale of the property and following satisfaction or discharge of all liabilities of the LLP in relation to the property, the LLP shall be wound up or dissolved.

In the event of any winding up or dissolution of the LLP (other than in circumstances of insolvency) the net assets of the LLP (or proceeds of the sale of such assets) shall be distributed to members in the proportions of their capital contributions at the date of commencement of any such winding up or dissolution.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

19. First time adoption of FRS 102

The LLP transitioned to FRS 102 from previously extant UK GAAP as at 6 April 2015. The impact of the transition to FRS 102 is as follows:

		As previously stated 6 April 2015 £	Effect of transition 6 April 2015 £	FRS 102 (as restated) 6 April 2015 £	As previously stated 5 April 2016 £	Effect of transition 6 April 2016 £	FRS 102 (as restated) 5 April 2016 £
	Note						
Fixed assets	1,2	34,271,085	(2,692,598)	31,578,487	33,918,401	(2,555,798)	31,362,603
Current assets		593,332	-	593,332	745,099	-	745,099
Creditors: amounts falling due within one year		(703,484)	-	(703,484)	(505,137)	-	(505,137)
Net current (liabilities)/assets		(110,152)	-	(110,152)	239,962	-	239,962
Total assets less current liabilities		34,160,933	(2,692,598)	31,468,335	34,158,363	(2,555,798)	31,602,565
Creditors: amounts falling due after more than one year	3	(19,447,966)	932,729	(18,515,237)	(18,592,444)	687,360	(17,905,084)
Net assets		14,712,967	(1,759,869)	12,953,098	15,565,919	(1,868,438)	13,697,481
Capital and reserves		14,712,967	(1,759,869)	12,953,098	15,565,919	(1,868,438)	13,697,481

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

19. First time adoption of FRS 102 (continued)

	Note	As previously stated 5 April 2016 £	Effect of transition 5 April 2016 £	FRS 102 (as restated) 5 April 2016 £
Turnover		2,446,901	-	2,446,901
Administrative expenses	2	2,446,901 (1,198,969)	- 136,800	2,446,901 (1,062,169)
Operating profit		1,247,932	136,800	1,384,732
Interest payable and similar charges	3	(394,980)	(245,369)	(640,349)
Profit on ordinary activities after taxation and for the financial year		852,952	(108,569)	744,383

Explanation of changes to previously reported profit and equity:

- 1 Within fixed assets, leasehold property has been reclassified to investment property held at valuation upon transition to FRS 102.
- 2 Depreciation previously charged on freehold property has been reversed upon transition to FRS 102 as this has been reclassified as investment property held at valuation.
- 3 Interest has been accounted for using the effective interest method upon transition.