

Registered number: OC350418

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

REGISTERED IN ENGLAND AND WALES
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020



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 2020

The Members present their annual report together with the audited financial statements of Cumberland House BPRA Property Fund LLP ("the LLP") for the year ended 5 April 2020.

Principal activities

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

The address of the property 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.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 5 APRIL 2020**

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.

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 judgements 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 each Member is aware, there is no relevant audit information of which the LLP's auditor is unaware, and;
- that each 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.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 5 APRIL 2020**

Impact of Brexit

We have considered the potential impact of Brexit on the LLP and whilst there may be significant effects for the wider economy which could in turn affect the LLP's performance, we have not identified any specific risk that is material enough to require further disclosure here.

Impact of Covid-19

The performance of the Partnership's subsidiary, Cumberland House BPRA Property Fund LLP, was affected at the very end of the financial year as a result of Covid-19 and it continues to be impacted significantly during the 2021 financial year. This has affected the hotel's capability to pay outstanding rent due to the partnership, which in turn has reduced the partnership's available cash. In order to maintain sufficient cash reserves the partnership has received a 12 month capital repayment holiday on its outstanding bank loan. The impact of Covid-19 has also placed some uncertainty around the valuation of the property but the members continue to work closely with independent property experts and confirm that they believe a fair valuation is included on the partnership's balance sheet as at 5 April 2020.

Nicholas Lewis

.....
Downing Members Limited
Designated Member

Date: 31 March 2021

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

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

Opinion

We have audited the financial statements of Cumberland House BPRA Property Fund LLP (the 'LLP') for the year ended 05 April 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, 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 LLP's affairs as at 05 April 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.

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 LLP 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 LLP'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.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

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

Other information

The Members are responsible for the other information. The other information comprises the information included in the annual 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Members Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Members' Report have been prepared in accordance with applicable legal requirements.

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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the Members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Members' Report and from the requirement to prepare a Strategic Report.

Responsibilities of Members

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, 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 LLP'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 intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

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

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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the LLP's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 company's members as a body for our audit work, for this report, or for the opinions we have formed.

Stephen Eames for Mazars LLP

Steph E: JM
Stephen Eames for Mazars LLP (Mar 31, 2021 11:49 GMT+1)

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

Date: 31 March 2021

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 5 APRIL 2020

	Note	2020 £	2019 £
Turnover	4	1,860,252	2,659,019
Administrative expenses		(783,748)	(2,052,094)
Operating profit	5	1,076,504	606,925
Interest payable and expenses	9	(819,103)	(423,371)
Profit before tax		257,401	183,554
Profit before members' remuneration and profit shares available for discretionary division among members and total comprehensive income		257,401	183,554

All activities relate to continuing operations.

There were no recognised gains and losses for 2020 or 2019 other than those included in the Statement of Comprehensive Income.

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 11 to 20 form part of these financial statements.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP
REGISTERED NUMBER: OC350418

BALANCE SHEET
AS AT 5 APRIL 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	10	1,537,400	-
Investment property	11	30,726,800	30,851,200
Investments	12	5	5
		<u>32,264,205</u>	<u>30,851,205</u>
Current assets			
Debtors: amounts falling due within one year	13	6,001,760	5,558,671
Cash and cash equivalents	14	8,590	483,522
		<u>6,010,350</u>	<u>6,042,193</u>
Creditors: Amounts Falling Due Within One Year	15	(10,956,580)	(9,832,825)
Net current liabilities		<u>(4,946,230)</u>	<u>(3,790,632)</u>
Total assets less current liabilities		<u>27,317,975</u>	<u>27,060,573</u>
Creditors: amounts falling due after more than one year	16	(10,561,375)	(10,561,375)
		<u>16,756,600</u>	<u>16,499,198</u>
Net assets		<u><u>16,756,600</u></u>	<u><u>16,499,198</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	1,226,600	969,198	
		<u>16,756,600</u>	<u>16,499,198</u>
		<u>16,756,600</u>	<u>16,499,198</u>
Total members' interests			
Members' other interests		<u>16,756,600</u>	<u>16,499,198</u>
		<u>16,756,600</u>	<u>16,499,198</u>

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP
REGISTERED NUMBER: OC350418

BALANCE SHEET (CONTINUED)
AS AT 5 APRIL 2020

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

The financial statements were approved and authorised for issue by the Members and were signed on their behalf by:

Nicholas Lewis

.....
Downing Members Limited
Designated Member

Date: 31 March 2021

The notes on pages 11 to 20 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 2020**

	EQUITY		
	Members' capital (classified as equity) £	Members' other interests Other reserves £	Total £
Balance at 6 April 2018	15,530,000	785,644	16,315,644
Profit for the year available for discretionary division among members	-	183,554	183,554
Members' interests after profit for the year	15,530,000	969,198	16,499,198
Balance at 5 April 2019	15,530,000	969,198	16,499,198
Profit for the year available for discretionary division among members	-	257,402	257,402
Members' interests after profit for the year	15,530,000	1,226,600	16,756,600
Balance at 5 April 2020	15,530,000	1,226,600	16,756,600

The notes on pages 11 to 20 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 2020

1. General information

Cumberland House BPRA LLP ("the LLP") is a limited liability partnership, registered and incorporated in England and Wales. LLP registration number OC350418. The address of its registered office is 6th Floor St Magnus House, 3 Lower Thames Street, London, England, EC3R 6HD.

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

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

These financial statements are presented in Pounds Sterling (£), this being 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).

The following principal accounting policies have been applied:

2.2 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.

2.3 Going concern

The LLP meets its property and other commitments through a bank loan which has quarterly interest repayments, which the LLP meets through the receipt of property rentals. The designated members, having reviewed forecasted future rentals of the business for at least 12 months from the date of approval of the accounts and given the bank loans in place, are satisfied that the LLP has adequate resources to continue in business for the foreseeable future. These forecasts take into account the potential impact of Covid-19 on the hotel revenues in the subsidiary undertaking. 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 Turnover

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

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020**

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model 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.

The depreciation expense is charged to administrative expenses within the Statement of Comprehensive Income.

2.6 Valuation of investment

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 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.

2.8 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.

2.9 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.

2.10 Financial instruments

The LLP only enters into basic financial instrument 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 ordinary shares.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2020

2. Accounting policies (continued)

2.10 Financial instruments (continued)

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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

2.11 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.

2.12 Borrowing costs

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

2.13 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 2020**

2. Accounting policies (continued)

2.14 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.

2.15 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 2020

3. Judgements 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 listed below:

Investment property

Investment property is carried at deemed cost less depreciation less any impairment following the election to adopt the amendments to FRS 102 as a result of the triennial review published in December 2017. The deemed cost arises from the market rate valuation received for the accounts for the year ending 6th April 2017. 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.

The LLP recognises provisions at the balance sheet date when there is an obligation as a result of a past event, it is probable that the LLP will be required to transfer economic benefits in settlement, and the amount of the obligation can be estimated reliably

4. Turnover

	2020 £	2019 £
Turnover	1,860,252	2,659,019

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	124,400	124,400

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020

6. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the LLP's auditor in respect of the audit of the LLP's annual financial statements	4,800	4,600
Fees payable to the LLP's auditor in respect of non-audit services	925	775
	<u> </u>	<u> </u>

7. Employees

The LLP has no employees.

8. Information in relation to members

The average number of Members during the year was 210 (2019 - 210).

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

9. Interest payable and similar expenses

	2020	2019
	£	£
Bank interest payable	327,832	343,436
Other loan interest payable	491,271	79,935
	<u> </u>	<u> </u>
	<u>819,103</u>	<u>423,371</u>

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020

10. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 6 April 2019	1,227,116
Additions	1,537,400
At 5 April 2020	<u>2,764,516</u>
Depreciation	
At 6 April 2019	1,227,116
At 5 April 2020	<u>1,227,116</u>
Net book value	
At 5 April 2020	<u>1,537,400</u>
At 5 April 2019	<u>-</u>

11. Investment property

	£
Cost	
At 6 April 2019	31,100,000
At 5 April 2020	<u>31,100,000</u>
Depreciation	
At 6 April 2019	248,800
Charge for the year on owned assets	124,400
At 5 April 2020	<u>373,200</u>
Net book value	
At 5 April 2020	30,726,800
At 5 April 2019	<u>30,851,200</u>

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020**

12. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 6 April 2019	5
At 5 April 2020	5

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Principal activity	Class of shares	Holding
Cumberland House Hotel Birmingham Limited	The operation of the Hampton by Hilton, Birmingham.	£1 Ordinary	100%
Cumberland House Properties Limited	The activities of a property business.	£1 Ordinary	100%
Broad Street Commercial Limited	The activities of a property business.	£1 Ordinary	100%
Broad Street Unit A Limited	The activities of a property business.	£1 Ordinary	100%
Broad Street Unit B Limited	The activities of a property business.	£1 Ordinary	100%

The aggregate of the share capital and reserves as at 5 April 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Cumberland House Hotel Birmingham Limited	(1,102,908)	(611,576)
Cumberland House Properties Limited	244,272	94,648
Broad Street Commercial Limited	(181,243)	(2,966)
Broad Street Unit A Limited	(185,038)	(128,442)
Broad Street Unit B Limited	(942,116)	(561,749)

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020**

13. Debtors

	2020	2019
	£	£
Amounts owed by group undertakings	5,011,360	5,558,671
Other debtors	408,031	-
Prepayments	582,369	-
	<u>6,001,760</u>	<u>5,558,671</u>

Amounts owed by group undertakings and other subsidiaries are unsecured, interest free and repayable on demand.

14. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	<u>8,590</u>	<u>483,522</u>

15. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	176,875	707,500
Other loans	8,638,760	8,147,489
Trade creditors	1,190,999	11,599
Provisions	267,197	599,162
Other creditors	480,000	161,497
Accruals and deferred income	202,749	205,578
	<u>10,956,580</u>	<u>9,832,825</u>

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

The provision of £267,197 as at 5 April 2020 (2019: £599,162) relates to external building refurbishment costs on the property.

CUMBERLAND HOUSE BPRA PROPERTY FUND LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2020**

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

	2020	2019
	£	£
Bank loans	10,561,375	10,561,375
	<u>10,561,375</u>	<u>10,561,375</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 of the assets of the business whether present or future.

17. 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 £72,519 (2019 - £220,692) from London Luton Hotel BPRA Property Fund LLP, an entity with common Designated Members.

18. 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.

19. 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 the Members in the proportions of their capital contributions at the date of commencement of any such winding up or dissolution.