

Registered number: OC376962

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016



MAYFAIR CAPITAL RESIDENTIAL 1 LLP

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MAYFAIR CAPITAL RESIDENTIAL 1 LLP

INFORMATION

Designated Members

J Thornton

Mayfair Capital Investment Management Limited

LLP registered number

OC376952

Registered office

2 Cavendish Square, London, W1G 0PU

Independent auditor

Crowe Clark Whitehill LLP, 10 Palace Avenue, Maidstone, Kent, ME15 6NF

Bankers

The Royal Bank of Scotland, 43 Curzon Street, London, W1Y 7RF

Depository

Langham Hall UK Depository LLP, 5 Old Bailey, London, EC4M 7BA

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The members present their annual report together with the audited financial statements of Mayfair Capital Residential 1 LLP (the LLP) for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES

The principal activity of the LLP is to facilitate property development.

There have been no changes in the activities since the last annual report.

DESIGNATED MEMBERS

J Thornton and Mayfair Capital Investment Management Limited were designated members of the LLP throughout the period.

MEMBERS' CAPITAL AND INTERESTS

Details of changes in members' capital in the year ended 31 March 2016 are set out in the financial statements.

The members of the partnership are designated as A members, B members and C members.

Members' capital is classified as equity. Capital contributions made to the partnership are divided into shares of £1 each (a share). Contributions are allocated to members' capital accounts on the following basis:

A Member: A Shares
B Member: B Shares
C Member: C Shares

Capital contributions are allocated pro rata to members' capital accounts in accordance with Schedule 1 of the Members Agreement dated 17 October 2012 and Schedule 2 of the Supplemental Deed to the Members Agreement dated 29 September 2014. Other than the capital commitments defined therein, no member shall be required to make further contributions otherwise than as may be agreed by the C member and B member.

In the event of winding up of the LLP, any surplus assets of the LLP remaining after the payment of any monies due to the creditors of the LLP shall be payable to the Members in accordance with the terms of the Members' Agreement.

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016**

MEMBERS' RESPONSIBILITIES STATEMENT

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law, as applied to LLPs, 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 to LLPs, 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 materials departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

This report was approved by the members on 14 July 2016 and signed on their behalf by:



J Thornton
Designated member

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYFAIR CAPITAL RESIDENTIAL 1 LLP

We have audited the financial statements of Mayfair Capital Residential 1 LLP for the year ended 31 March 2016, set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the LLP's members 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF MEMBERS AND AUDITOR

As explained more fully in the Members' responsibilities statement, 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.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAYFAIR CAPITAL RESIDENTIAL 1 LLP

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships regime.

Crowe Clark Whitehill LLP
Darren Rigden (Senior statutory auditor)

for and on behalf of
Crowe Clark Whitehill LLP

Statutory Auditor

10 Palace Avenue
Maidstone
Kent
ME15 6NF

14 July 2016

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
TURNOVER	1	3,879,679	4,754,344
Administrative expenses		(42,937)	(38,847)
OPERATING PROFIT	2	3,836,742	4,715,497
EXCEPTIONAL ITEMS	4		
Impairment on fixed asset investment		(199,373)	-
Profit on disposal of trading investment		198,098	-
PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST		3,835,467	4,715,497
Interest receivable and similar income		828	564
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		3,836,295	4,716,061
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		3,836,295	4,716,061
Members' remuneration charged as an expense		(235,754)	(377,783)
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		3,600,541	4,338,278

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

MAYFAIR CAPITAL RESIDENTIAL 1 LLP
REGISTERED NUMBER: OC376952

BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Investments	5		7,880,631		18,467,304
CURRENT ASSETS					
Debtors	6	4,272,384		4,888,601	
Investments	7	-		6,742,713	
Cash at bank		532,294		616,516	
		<u>4,804,678</u>		<u>12,247,830</u>	
CREDITORS: amounts falling due within one year	8	<u>(41,629)</u>		<u>(159,777)</u>	
NET CURRENT ASSETS			<u>4,763,049</u>		<u>12,088,053</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>12,643,680</u></u>		<u><u>30,555,357</u></u>
REPRESENTED BY:					
Loans and other debts due to members within one year					
Other amounts			37,401		89,694
Members' other interests					
Members' capital classified as equity		8,433,618		25,897,948	
Other reserves classified as equity		<u>4,172,661</u>		<u>4,567,715</u>	
			<u>12,606,279</u>		<u>30,465,663</u>
			<u><u>12,643,680</u></u>		<u><u>30,555,357</u></u>
TOTAL MEMBERS' INTERESTS					
Amounts due from members (included in debtors)			-		(40,777)
Loans and other debts due to members			37,401		89,694
Members' other interests			<u>12,606,279</u>		<u>30,465,663</u>
	10		<u><u>12,643,680</u></u>		<u><u>30,514,580</u></u>

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**BALANCE SHEET (continued)
AS AT 31 MARCH 2016**

The financial statements have been prepared in accordance with the special provisions applicable to small LLPs within Part 15 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 14 July 2016.



J Thornton
Designated member

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

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015) and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

1.2 Going concern

The financial statements have been prepared on a going concern basis by the members. The members have considered a period in excess of twelve months from the signing of these financial statements.

1.3 Turnover

Turnover comprises revenue recognised by the LLP in respect of returns on its investment which are accrued over the term of the funding provided.

1.4 Investments

The Investments shown under current assets represent trading investments which were carried at the lower of the cost or net realisable amount. Investments other than trading investments are shown under fixed assets at cost less provision for impairment.

1.5 Taxation

Members are personally liable for any taxation on their share of the LLP profits. Consequently no provision for taxation is made in these financial statements.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2016 £	2015 £
Auditor's remuneration	10,950	7,500

3. INFORMATION IN RELATION TO MEMBERS

	2016 Number	2015 Number
The average number of members during the year was	18	18

Profits are shared amongst members in accordance with agreed profit sharing agreements.

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

4. EXCEPTIONAL ITEMS

	2016 £	2015 £
Impairment on fixed asset investment	(199,373)	-
Profit on disposal of trading investment	198,098	-
	<u>(1,275)</u>	<u>-</u>

5. FIXED ASSET INVESTMENTS

	Property investments £
Cost or valuation	
At 1 April 2015	18,467,304
Additions	1,465,774
Disposals	(12,052,447)
At 31 March 2016	<u>7,880,631</u>
Net book value	
At 31 March 2016	<u>7,880,631</u>
At 31 March 2015	<u>18,467,304</u>

6. DEBTORS

	2016 £	2015 £
Accrued income	4,261,175	4,845,674
Other debtors	11,209	2,150
Amounts due from members	-	40,777
	<u>4,272,384</u>	<u>4,888,601</u>

7. CURRENT ASSET INVESTMENTS

	2016 £	2015 £
Property investments	<u>-</u>	<u>6,742,713</u>

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

8. CREDITORS:

Amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	127,980
Other creditors	41,629	31,797
	<u>41,629</u>	<u>159,777</u>

9. LOANS AND OTHER DEBTS DUE TO MEMBERS

	2016 £	2015 £
Amounts due to members	<u>37,401</u>	<u>89,694</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

10. RECONCILIATION OF MEMBERS' INTERESTS

	Members' capital (classified as equity) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Members' interests: balance at 1 April 2014	20,894,135	1,458,075	22,352,210	74,199	22,426,409
Members' remuneration charged as an expense	-	-	-	377,783	377,783
Profit for the year available for discretionary division among members	-	4,338,278	4,338,278	-	4,338,278
Members' interests after profit for the year	20,894,135	5,796,353	26,690,488	451,982	27,142,470
Movement in reserves	-	(1,228,638)	(1,228,638)	-	(1,228,638)
Amounts withdrawn by members	-	-	-	(403,065)	(403,065)
Capital amounts introduced by members	8,927,313	-	8,927,313	-	8,927,313
Capital amounts repaid to members	(3,920,147)	-	(3,920,147)	-	(3,920,147)
Equalisation amount settled in the year	(3,353)	-	(3,353)	-	(3,353)
Members' interests: balance at 1 April 2015	25,897,948	4,567,715	30,465,663	48,917	30,514,580
Members' remuneration charged as an expense	-	-	-	235,754	235,754
Profit for the year available for discretionary division among members	-	3,600,541	3,600,541	-	3,600,541
Members' interests after profit for the year	25,897,948	8,168,256	34,066,204	284,671	34,350,875
Distribution of profit	-	(3,995,595)	(3,995,595)	-	(3,995,595)
Amounts withdrawn by members	-	-	-	(247,270)	(247,270)
Capital amounts introduced by members	-	-	-	-	-
Capital amounts repaid to members	(17,464,330)	-	(17,464,330)	-	(17,464,330)
Equalisation amount settled in the year	-	-	-	-	-
Members' interests at 31 March 2016	8,433,618	4,172,661	12,606,279	37,401	12,643,680

MAYFAIR CAPITAL RESIDENTIAL 1 LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

11. CAPITAL COMMITMENTS

There were no capital commitments in the current or prior year.

12. RELATED PARTY TRANSACTIONS

Mayfair Capital Investment Management Limited is a B Member and C Member of the LLP.

During the period, the LLP was charged the following amounts in accordance with the provisions of the partnership agreement:

	2016 £	2015 £
Investment Management fees	187,754	329,783
Administration and secretarial duties	48,000	48,000
	<u>-</u>	<u>-</u>

Amounts due to Mayfair Capital Investment Management Limited at the balance sheet date in respect of the above fees are £37,401 (2015 - £89,694).

MCR1 Unauthorised Exempt Unit Trust ("the Trust") is an A Member of the LLP. During the period the following transactions occurred:

	2016 £	2015 £
Capital introduced	-	5,661,441
Capital withdrawn	11,083,306	2,487,825
Distributions	2,535,705	779,725
Expenses incurred on behalf of the Trust by the LLP	-	1,075

Amounts due from MCR1 Unauthorised Exempt Unit Trust at the balance sheet date in respect of the above transactions are £NIL (2015 - £40,777)

13. CONTROLLING PARTY

In the opinion of the members, there is no one controlling party of the LLP.