

POTANOW FORESTRY LLP
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2023

Pages for Filing with Registrar



POTANOW FORESTRY LLP

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POTANOW FORESTRY LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated Members Dr Alison Coll
 Christopher Hill
 Emilia Tiernan
 Oliver Hill

LLP Registered number OC377467

Registered office 12 Stanhope Gate
 London
 W1K 1AW

POTANOW FORESTRY LLP

BALANCE SHEET
AS AT 30 APRIL 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	5	83,753,031	83,560,027
Current assets			
Debtors	6	238,161	245,625
Cash at bank and in hand		843,299	146,459
		<u>1,081,460</u>	<u>392,084</u>
Creditors: amounts falling due within one year	7	<u>(237,523)</u>	<u>(128,443)</u>
Net current assets		843,937	263,641
Creditors: amounts falling due after more than one year	8	(231,290)	(66,427)
Net assets attributable to the members		<u>84,365,678</u>	<u>83,757,241</u>
Represented by:			
Members' other interests			
Members' capital classified as equity		25,763,395	24,804,435
Revaluation reserve	9	51,496,244	51,524,029
Other reserves classified as equity		<u>7,106,039</u>	<u>7,428,777</u>
		<u>84,365,678</u>	<u>83,757,241</u>
Total members' interests			
Members' other interests		<u>84,365,678</u>	<u>83,757,241</u>

POTANOW FORESTRY LLP

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2023

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

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and the preparation of financial statements.

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

The entity has opted not to file the Profit and Loss Account 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:


.....

Christopher Hill
Designated member

Date: 22/12/23

The notes on pages 4 to 7 form part of these financial statements.

POTANOW FORESTRY LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. General information

Potanow Forestry LLP ('the LLP') is a limited liability partnership, incorporated in England and Wales, LLP registered number OC377467. The address of the registered office is 12 Stanhope Gate, London W1K 1AW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of woodland and in accordance with Section 1A - Small Entities of Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the UK and the Republic of Ireland' ('FRS 102'), the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The following principal accounting policies have been applied:

2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- The LLP has transferred the significant risks and rewards of ownership to the buyer;
- The LLP retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of turnover can be measured reliably;
- It is probable that the LLP will receive the consideration due under the transaction; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Government grants

Turnover from government grants is recognised in the period in which it is received, or:

- When all conditions relating to the grant have been met;
- It is probable that the grant will be received; and
- The amount can be measured reliably.

POTANOW FORESTRY LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

2. Accounting policies (continued)

2.3 Revaluation of tangible fixed assets

Tangible fixed assets comprise woodland, which is included in the Balance Sheet at the revalued amounts, being the fair value at the date of the revaluation, less any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period.

Any revaluation increase arising on the revaluation of woodland is recognised in other comprehensive income and accumulated in equity, except to the extent that it reverses a revaluation decrease for the same asset previously recognised in the Profit and Loss Account, in which case the increase is credited to the Profit and Loss Account to the extent of the decrease being previously expensed. A decrease in the carrying amount arising on the revaluation of woodland is recognised in the Profit and Loss Account to the extent that it exceeds the balance, if any, held in the revaluation reserve relating to the previous revaluation of the asset.

Woodland is not depreciated.

2.4 Members' remuneration

A member's share of the profit or loss for the year is accounted for as an allocation of profits. Unallocated profits and losses are included within 'other reserves classified as equity'.

2.5 Debtors

Short-term debtors are measured at the 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.

2.6 Cash and cash equivalents

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term 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.

2.7 Financial instruments

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors and loans to or from related parties.

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 Profit and Loss Account.

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.

2.8 Creditors

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

POTANOW FORESTRY LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

2. Accounting policies (continued)

2.9 Operating leases

Rentals paid under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the LLP but are presented separately due to their size or incidence.

3. Key sources of estimation uncertainty

As noted above, the LLP's woodland is measured at fair value. The valuation is carried out having regard to the market value of woodland in the area and taking account of other factors including recent harvest of timber and accessibility.

4. Employees

The average monthly number of employees, including the designated members, during the year was 4 (2022 - 4).

5. Tangible fixed assets

	Land £	Trees £	Total Woodland £
Valuation			
At 1 May 2022	42,074,481	41,485,546	83,560,027
Additions	553,078	290,231	843,309
Disposals	(204,000)	(446,305)	(650,305)
At 30 April 2023	<u>42,423,559</u>	<u>41,329,472</u>	<u>83,753,031</u>
Net book value			
At 30 April 2023	<u>42,423,559</u>	<u>41,329,472</u>	<u>83,753,031</u>
At 30 April 2022	<u>42,074,481</u>	<u>41,485,546</u>	<u>83,560,027</u>

The woodland is stated at the fair value at the year end. The valuation was determined by a member, Christopher Hill, based on current prices for land and trees. As at 30 April 2023 the woodland was valued at £83,753,031 (2022 - £83,560,027).

The woodland has a carrying amount at historical cost of £32,256,780 (2022 - £32,035,991). The impairment on historical cost is £nil (2022 - £nil).

Biological assets have been disclosed separately as 'trees' as set out in section 34 of FRS 102.

POTANOW FORESTRY LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

6. Debtors

	2023 £	2022 £
Trade debtors	188,071	191,212
Other debtors	39,894	47,227
Prepayments and accrued income	10,196	7,186
	<u>238,161</u>	<u>245,625</u>

7. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	198,667	94,419
Other creditors	38,856	34,024
	<u>237,523</u>	<u>128,443</u>

8. Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other creditors	<u>231,290</u>	<u>66,427</u>

9. Revaluation reserve

During the year, the LLP's revaluation reserve decreased by £27,785 (2022 - increased by £32,313,443) comprising a decrease of £27,785 (2022 - £158,390) due to the release of revaluations relating to the disposals of woodlands during the year, offset by an increase in the value of woodlands by £nil (2022 - £32,471,833) during the year.

10. Commitments under operating leases

At 30 April 2023, the LLP had commitments under non-cancellable leases totalling £67,558 (2022 - £32,804).

11. Related party transactions

During the year, the members introduced capital amounting to £1,015,990 (2022 - £3,365,450) and took drawings totalling £67,040 (2022 - £23,128).

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

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