

Beneficial House (Birmingham) Regeneration LLP

**Report and Financial Statements
for the year ended 5 April 2021**

Registered Number OC382229



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General Information

Registered office:

Century House
Regent Road
Altrincham
WA14 1RR

Designated Members:

J M Adams
G S Caswill

Report of the Members

The Members presents their annual report together with the financial statements of Beneficial House (Birmingham) Regeneration LLP (the LLP) for the year ended 5 April 2021.

Activities

The LLP was incorporated on 6 February 2013. The principal activity of the LLP in the year under review was that of commercial property investment.

Results for the year

The loss for the year, before Members' remuneration and profit shares was £930,186 (2020: £386,284).

The results for the year to 5 April 2021 are set out in the accompanying financial statements and attached notes.

The LLP has had to address the significant challenges following the existence of the Covid-19 virus across the globe and the specific impact of the UK response in responding to this virus. The position continues to be closely monitored and mitigating actions taken when required. Further commentary is provided in the going concern Notes to these financial statements.

Members' Interests

All Members with the exception of the Designated Members, are equity Members and share in the profits and losses of the LLP.

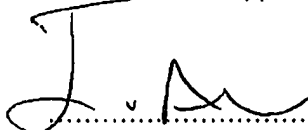
Designated Members

The Designated Members of the LLP during the year ended 5 April 2021 were as follows:

J M Adams
G S Caswill

This report has been prepared in accordance with the special provision relating to small companies within Part 15 of the Companies Act 2006.

This report was approved by the Members on 21/12 / 2021 and signed on their behalf by:



J M Adams – Designated Member

Statement of Members' responsibilities

The Members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to 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 year. In preparing these financial statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; 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 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 as applied to Limited Liability Partnerships. 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.

These responsibilities are exercised by the Designated Members on behalf of the Members.

Profit and Loss Account

For the year ended 5 April 2021

	Note	£ Year Ended 5 April 2021	£ Year Ended 5 April 2020
TURNOVER		-	-
Administrative expenses		(233,549)	(226,519)
Loss on fair value adjustment of investment property			
Other operating income		82,973	135,194
Operating loss		<u>(150,576)</u>	<u>(91,325)</u>
Interest payable and similar charges		(779,610)	(294,959)
Loss for the financial year before Members' remuneration		<u>(930,186)</u>	<u>(386,284)</u>
Members' remuneration charged as an expense		-	-
Loss for the financial year		<u><u>(930,186)</u></u>	<u><u>(386,284)</u></u>

The operating loss for the year arises from the LLP's continuing operations.

There were no recognised gains or losses other than the loss for the year.

The notes on pages 6 to 9 form part of these financial statements.

Balance Sheet

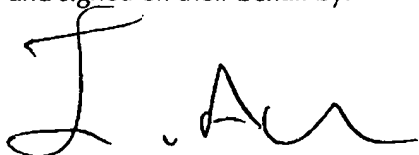
as at 5 April 2021

	Note	5 April 2021 £	5 April 2020 £
Fixed assets			
Investment properties	4	13,000,000	13,000,000
Current assets			
Debtors	5	30,606	40,377
Cash at bank		41,314	2,469
		<u>71,920</u>	<u>42,846</u>
Creditors: Amounts falling due within one year	6	<u>(4,641,520)</u>	<u>(3,730,541)</u>
Net current liabilities		<u>(4,569,600)</u>	<u>(3,687,695)</u>
Creditors: Amounts falling due after more than one year	7	<u>(8,048,391)</u>	<u>(8,048,391)</u>
Net assets attributable to Members of the LLP		<u>382,009</u>	<u>1,263,914</u>
Represented by			
Members' other interests		(7,006,960)	(6,076,774)
Members' capital classified as equity		<u>7,388,969</u>	<u>7,340,688</u>
	8	<u>382,009</u>	<u>1,263,914</u>

For the financial year ended 5 April 2021, the limited liability partnership 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 responsibility for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts. These financial statements have been prepared in accordance with the provisions applicable to limited liability partnerships subject to the small limited partnerships regime.

The financial statements were approved by the Members and authorised for issue on 21.12.21 and signed on their behalf by:



J M Adams – Designated Member
Beneficial House (Birmingham) Regeneration LLP
Limited Liability Partnership no. OC382229

The notes on pages 6 to 9 form part of these financial statements.

Notes to the financial statements

For the year ended 5 April 2021

1 ACCOUNTING POLICIES

1.1 General information

Beneficial House (Birmingham) Regeneration LLP is a limited liability partnership registered in England and is governed by the LLP deed dated 22 January 2014.

These financial statements are presented in pounds sterling (GBP) as this is the currency in which all of the LLP's transactions are denominated (its functional currency).

1.2 Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with Section 1A of FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Practice applicable to Small Entities)' and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships.

1.3 Going Concern

The Designated Members have considered the impact of the emergence and spread of COVID-19 and potential implications on future Partnership operations under severe plausible downsides. This consideration has included an assessment of the impact on the post year end lease of the property and repayment of the developer loans. Following the lease agreement, the lessee relieves the LLP of all repair and maintenance costs and only the ongoing insurance and administration costs of the LLP will be payable going forward.

Although the post year end agreement of the lease results in a cessation of advertising revenue, the Designated Members are satisfied that the LLP has adequate availability of funding and has put in place mitigating measures, in order to continue as a going concern. The Designated Members therefore believe that it is appropriate to adopt the going concern basis in preparing these financial statements.

1.4 Investment properties

Investment properties, which are properties held for capital appreciation, are initially recognised at cost of acquisition, and subsequently held at cost of acquisition plus capitalisation of renovation costs at each reporting date. This is a departure from the requirement of the Section 1A of FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Practice applicable to Small Entities)' which requires investment properties to be measured at fair value at the reporting date with the valuation movement being taken through the statement of comprehensive income.

Notes to the financial statements (continued)

For the year ended 5 April 2021

1 ACCOUNTING POLICIES (continued)

1.5 Members' Interests

Members' interests are classified as either equity or a liability of the LLP in order to reflect their participation rights, based on the terms of the LLP agreement. There are no restrictions or limitations on the ability of Members to reduce the amount of Members' other interests.

1.6 Revenue recognition

Rental income, net of VAT, is charged to the profit and loss account over the periods of the applicable leases. These are not co-terminus with the year end and so adjustments are made to ensure the correct proportion for the year is included in the accounts.

1.7 Taxation

No provision is made for taxation within these financial statements as all tax liabilities are directly attributable to the Members.

2 Critical accounting estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Designated Members are satisfied that there are no significant estimates or judgements in place and that the accounting policies are appropriate and have been applied consistently.

3 Employee Numbers

No persons were employed by the limited liability partnership in the current or prior year.

Notes to the financial statements (continued)

For the year ended 5 April 2021

4 FIXED ASSET INVESTMENTS

	2021 £
Cost at 5 April 2020	13,000,000
Additions during the year	-
Disposals during the year	-
Cost at 5 April 2021	<u>13,000,000</u>
Net Book Value at 5 April 2021	<u>13,000,000</u>
Net Book Value at 5 April 2020	<u>13,000,000</u>

5 DEBTORS

	2021 £	2020 £
Trade debtors	-	32,400
Prepayments and accrued income	16,660	7,977
VAT recoverable	13,946	-
	<u>30,606</u>	<u>40,377</u>

6 CREDITORS

	2021 £	2020 £
Bridging loan	2,234,500	2,234,500
Loan from Saabon Ltd	199,407	162,241
Trade creditors	114,137	15,460
Accrued expenses	2,093,476	1,310,109
VAT payable	-	8,231
	<u>4,641,520</u>	<u>3,730,541</u>

The bridging loan is secured by way of a legal mortgage over Beneficial Building, 27-32 Paradise Street and 80-86 Suffolk Street, Birmingham B1 2BJ. This was settled when the lease was agreed in December 2021.

Notes to the financial statements (continued)

For the year ended 5 April 2021

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Developer loan	8,048,391	8,048,391

The developer loan is interest only. The loan is secured by way of a legal mortgage over Beneficial Building, 27-32 Paradise Street and 80-86 Suffolk Street, Birmingham B1 2BJ.

8 MEMBERS' INTERESTS

	Members' capital classified as equity	Reserves	Total
	£	£	£
Balance at 5 April 2020	<u>7,340,689</u>	<u>(6,076,774)</u>	<u>1,263,915</u>
Loss for the financial year available for discretionary division among Members	-	(930,186)	(930,186)
Introduced by Members	48,280	-	48,280
Balance at 5 April 2021	<u>7,388,969</u>	<u>(7,006,960)</u>	<u>382,009</u>

9 RELATED PARTIES

There were no material transactions between related parties that were not performed on an arm's length basis during the year (2020: none).

10 CONTROLLING INTERESTS

There is no controlling party.

11 EVENTS SUBSEQUENT TO THE REPORTING DATE

Disposal of building:

Subsequent to the year end accounting date, in December 2021, the building has been let in its entirety to an independent third party along with commitments from them to renovate and operate as an hotel.

Litigation

The designated members are aware of one litigation claim. This is currently being defended at the time of signing of the accounts.