

REGISTERED NUMBER: OC429926

**Hadley Goodmayes LLP**  
**Filleted Financial Statements**  
**31 March 2022**

# Hadley Goodmayes LLP

## Statement of Financial Position

**31 March 2022**

		<b>2022</b>	2021
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Current assets</b>			
Stocks		21,479,561	20,789,714
Debtors	<b>4</b>	81,858	33,755
Cash at bank and in hand		11,093	61,428
		-----	-----
		21,572,512	20,884,897
<b>Creditors: amounts falling due within one year</b>	<b>5</b>	( 110,461)	( 40,595)
		-----	-----
<b>Net current assets</b>		21,462,051	20,844,302
		-----	-----
<b>Total assets less current liabilities</b>		21,462,051	20,844,302
		-----	-----
<b>Net assets</b>		21,462,051	20,844,302
		-----	-----
<b>Represented by:</b>			
<b>Loans and other debts due to members</b>			
Other amounts	<b>6</b>	24,006,838	22,100,782
<b>Members' other interests</b>			
Members' capital classified as equity		2	2
Other reserves		(2,544,789)	(1,256,482)
		-----	-----
		21,462,051	20,844,302
		-----	-----
<b>Total members' interests</b>			
Loans and other debts due to members	<b>6</b>	24,006,838	22,100,782
Members' other interests		(2,544,787)	(1,256,480)
		-----	-----
		21,462,051	20,844,302
		-----	-----

These financial statements have been prepared and delivered in accordance with the provisions applicable to LLPs subject to the small LLPs' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006 (as applied to LLPs), the statement of comprehensive income has not been delivered.

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.

# Hadley Goodmayes LLP

## Statement of Financial Position *(continued)*

**31 March 2022**

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These financial statements were approved by the members and authorised for issue on 30 May 2022 , and are signed on their behalf by:

Latimer Developments Ltd

Alvarium Goodmayes Ltd

Designated Member

Designated Member

Registered number: OC429926

# **Hadley Goodmayes LLP**

## **Notes to the Financial Statements**

**Year ended 31 March 2022**

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### **1. General information**

The LLP is registered in England and Wales. The address of the registered office is Fourth Floor Shand House, 14-20 Shand Street, London, SE1 2ES, United Kingdom.

### **2. Statement of compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in December 2018 (SORP 2018).

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss. The financial statements are prepared in sterling, which is the functional currency of the entity. The comparative period was for a period of greater than 12 months since it covered a long period from incorporation of the LLP and as such the comparative figures may not be entirely comparable with the current period.

#### **Judgements 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. 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. Significant judgements The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements relates to assessing whether there any indicators of impairment of the entity's development stock. The carrying value of the stock at the period end is £21,479,561. Management considers that the receipt of planning permission for the residential development of the stock at least supports the carrying value and the judgement that there is no impairment indicator of that stock. They believe this is further supported by the subsequently agreed sale of the LLP in April 2022. Key sources of estimation uncertainty Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. Management has not made any key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year .

### **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 or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

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 statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

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 statement of comprehensive income and are equity appropriations in the statement of financial position.

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 statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. As a property developer cost includes all costs of purchase of the site (including purchase price, stamp duty and associated professional fees), design and professional costs associated with preparing and submitting a planning application and all other costs directly attributable to the ongoing development. Interest accruing on the loans taken to finance the stock purchase is expensed as it is incurred.

### **Financial instruments**

A financial asset or a financial liability is recognised only when the LLP becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### 4. Debtors

	2022	2021
	£	£
Other debtors	81,858	33,755
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#### 5. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	106,461	36,595
Other creditors	4,000	4,000
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	110,461	40,595
	-----	-----

#### 6. Loans and other debts due to members

	2022	2021
	£	£
Loans from members	24,006,838	22,100,782
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#### 7. Events after the end of the reporting period

A planning decision notice was received from the London Borough of Redbridge on 21 April 2022 in relation to the development of 568 units on the site owned by the LLP. On 27 April 2022 an agreement was exchanged for the members of the LLP to sell their interests and loans in the LLP to a third party. This transaction is expected to complete in June 2022.

#### 8. Summary audit opinion

The auditor's report for the year dated 30 May 2022 was unqualified .

The senior statutory auditor was Jeffrey N Kelly , for and on behalf of Coveney Nicholls Partnership LLP .

## **9. Related party transactions**

The LLP was not under the control of any single party during the period. Members loans The LLP has been provided with loans by its designated members, Alvarium Goodmayes Ltd and Latimer Developments Ltd . Each lender has provided a loan facility of up to £13,400,000, comprising a principal sum of £12,100,000 plus rolled up interest. Interest accrues at SONIA plus 5.5% per annum. At the period end principal of £10,735,300 (2021 - £10,424,155) had been drawn on each facility. Interest of £1,268,119 (2021 - £626,236) had accrued on each facility. A total amount of £12,003,419 (2021 - £11,050,391) was outstanding on each facility and is included in members interests at the period end. The repayment of each loan is not due until the earlier of 12 months after the sale of the final unit in the development or termination of the LLP agreement and winding up of the LLP. Separately, each designated member above also owes the LLP £1 in respect of their capital contributions to the LLP. These amounts are included in other debtors. Other transactions During the period the LLP was charged development management and administrative fees of £292,667 (2021 - £912,333) by Hadley DM Services Ltd. These have been capitalised and included in the LLP's development stock. No amounts were outstanding at the period end. Hadley DM Services Ltd is a wholly owned subsidiary of Hadley Property Group Holdings Ltd. Hadley Property Group Holdings Ltd is the parent company of Hadley Garrick One Ltd, formerly a designated member of the LLP. Key management personnel of the LLP are also partially comprised of Key management personnel of Hadley Property Group Holdings Ltd. The LLP was not under the control of any single party during the period. Also during the period the LLP was charged fees of £7,500 (2021 - £nil) by Hadley LLW Ltd. These have been capitalised and included in the LLP's development stock. No amounts were outstanding at the period end. Hadley LLW Ltd is a wholly owned subsidiary of Hadley DM Services Ltd.

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