

Montgomery's Wharf LLP

Annual report and financial statements

**For the period from 18 May 2021 to
31 December 2021**

Registered number: OC437512

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Montgomery's Wharf LLP

Annual report and financial statements for the period from 18 May 2021 to 31 December 2021

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Montgomery's Wharf LLP

Members' report

The Members present their annual report together with the audited financial statements of Montgomery's Wharf LLP (the LLP) for the period from the date of incorporation, 18 May 2021, to 31 December 2021. The LLP is a Limited Liability Partnership under the Limited Liability Partnership Act 2000 registered in England and Wales.

Principal activity

The principal activity of the LLP is to undertake the development of land at Montgomery's Wharf, 69-76 High Street, Brentford.

Going concern

In determining the appropriate basis of preparation of the financial statements, the Members are required to consider whether the LLP can continue in operational existence for the foreseeable future.

As at 31 December 2021 the LLP had net current assets of £10.6 million. The LLP's principal current assets are stock of £44.9 million and cash of £0.1 million.

The Members have considered the LLP's forecast and budgets, funding requirements and the principal risks and uncertainties that may impact upon the performance of the LLP together with their mitigation. After making these enquiries the Members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. For this reason they adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1 to the financial statements.

Review of business and future outlook

The Members consider the financial position of the LLP to be satisfactory and forecast the scheme to be profitable over the course of the project.

Designated Members

The Designated Members during the period and to date were:

Fairview New Homes Limited	(appointed 18 May 2021)
Fairview New Homes (Chequers Way) Limited	(appointed 18 May 2021, resigned 8 June 2022)
Latimer Developments Limited	(appointed 8 June 2022)

Members' drawings and capital policy

The profits or losses of the LLP shall be divided equally among the Members.

Capital and loans are provided equally by the Members. Unless otherwise agreed between all of the Members, no drawings shall be made by the Members.

Montgomery's Wharf LLP

Members' report (continued)

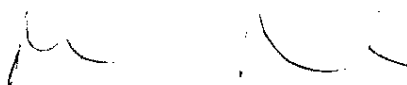
Auditor

Deloitte LLP and have indicated their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed.

This report was approved by the Members on 22 September 2022 and signed on their behalf by:



Fairview New Homes Limited



Latimer Developments Limited

Montgomery's Wharf LLP

Members' responsibilities statement

The Members are responsible for preparing the annual report and the financial statements in accordance with applicable laws and regulations.

The Limited Liability Partnerships (Accounts & 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 FRS102 "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 United Kingdom 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 applicable 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.

Montgomery's Wharf LLP

Independent auditor's report to the member of Montgomery's Wharf LLP

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Montgomery's Wharf LLP (the 'limited liability partnership'):

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2021 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

We have audited the financial statements of the limited liability partnership which comprise

- the balance sheet;
- the statement of changes in Members' interests;
- the cash flow statement; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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

In auditing the financial statements, we have concluded that the Members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Montgomery's Wharf LLP

Independent auditor's report to the members of Montgomery's Wharf LLP (continued)

Responsibilities of Members

As explained more fully in the Statement of members' responsibilities, 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 Members are responsible for assessing the limited liability partnership'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 Members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the LLP's industry and its control environment, and reviewed the LLP's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the LLP operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the LLP's ability to operate or to avoid a material penalty. These included environmental regulations, planning and health and safety law.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Montgomery's Wharf LLP

Independent auditor's report to the members of Montgomery's Wharf LLP (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Gross profit is recognised for completed private properties based on the latest whole site gross margin which is generated from the site appraisal. The estimates made in the site appraisals could be subject to bias. We tested and challenged the inputs and assumptions in the site appraisals to supporting evidence to assess the accuracy and completeness of these appraisals.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinion on other matter 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 has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the LLP and its environment obtained in the course of the audit, we have not identified any material misstatements in the Members' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report in respect of the following matters 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.

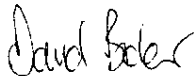
We have nothing to report in respect of these matters.

Montgomery's Wharf LLP

Independent auditor's report to the members of Montgomery's Wharf LLP (continued)

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.



David Bicker (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom

26 September 2022

Montgomery's Wharf LLP

Balance sheet 31 December 2021

	Note	2021 £'000
Current assets		
Stocks	4	44,885
Debtors	5	41
Cash at bank and in hand		108
		<hr/>
		45,034
Creditors: amounts falling due within one year	6	(34,478)
		<hr/>
Total assets less current liabilities		10,556
		<hr/>
Net assets attributable to Members		10,556
		<hr/>
Represented by:		
Members' capital classified as equity	7	10,556
Other reserves classified as equity		-
		<hr/>
		10,556
		<hr/>
Total Members' interests		10,556
		<hr/>

The financial statements of Montgomery's Wharf LLP (registered number OC437512) were approved and authorised for issue by the Members on 22 September 2022 and were signed on their behalf by:



Fairview New Homes Limited
Designated Member



Latimer Developments Limited
Designated Member

The notes on pages 11 to 15 form part of these financial statements.

Montgomery's Wharf LLP

Statement of changes in Members' interests Period from 18 May 2021 to 31 December 2021

	Members' capital (classified as equity) £'000	Other reserves £'000	Total Members capital and other reserves £'000
Members' interests at 18 May 2021	-	-	-
Net capital amounts introduced by Members	10,556	-	10,556
At 31 December 2021	10,556	-	10,556

Other reserves represents the cumulative profits of the LLP.

Montgomery's Wharf LLP

Cash flow statement

Period from 18 May 2021 to 31 December 2021

	£'000
Cash flows from operating activities	
Result for the year available for discretionary division among members	-
Adjustment for:	
Increase in stocks	(44,885)
Increase in debtors	(41)
Increase in creditors	34,478
Net cash outflow from operating activities	<u>(10,448)</u>
Cash flows from financing activities	
Capital provided by Members	10,556
Net cash inflow from financing activities	<u>10,556</u>
Increase in cash and cash equivalents	108
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	<u>108</u>
Reconciliation to cash at bank and in hand:	
Cash at bank and in hand	108
Cash equivalents	-
Cash and cash equivalents	<u>108</u>

Montgomery's Wharf LLP

Notes to the financial statements

Period from 18 May 2021 to 31 December 2021

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

a. General information and basis of accounting

Montgomery's Wharf LLP is a limited liability partnership ('LLP') incorporated in England and Wales under the Limited Liability Partnerships Act 2000. The LLP is a qualifying partnership under the Partnership Regulations. The address of the registered office is 50 Lancaster Road, Enfield EN2 0BY. The nature of the LLP's operations and its principal activities are set out in the Directors' report on page 1.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, *the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland*, the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnership" (issued December 2018).

The functional currency of Montgomery's Wharf LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the LLP operates.

No statement of comprehensive income is presented with these financial statements because the LLP has not received any income, incurred any expenditure or recognised any gains or losses during the period.

b. Going concern basis

The Members have considered the LLP's forecast and budgets, funding requirements, and the principal risks and uncertainties that may impact upon the performance of the LLP together with their mitigation.

The impact of Covid-19 on the LLP has been limited as the project is currently its early stages and planning activities have been able to continue as normal.

The LLP relies equally on the support of its two members, Fairview New Homes Limited and Latimer Developments Limited. Both members have advised that they will continue to support the LLP to enable it to meet its liabilities as they fall due, at least until 31 July 2023.

After making these enquiries, the Members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. For this reason the Members continue to adopt the going concern basis in preparing the financial statements.

c. Financial instruments

Financial assets and financial liabilities are recognised when the LLP becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs).

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the LLP intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Montgomery's Wharf LLP

Notes to the financial statements (continued) Period from 18 May 2021 to 31 December 2021

1. Accounting policies (continued)

c. Financial instruments (continued)

(ii) Members' capital

Members' capital is classified as equity.

d. Stocks

Stocks comprise land and buildings in course of development and land upon which development has not yet commenced and are valued at the lower of cost and net realisable value. Cost includes the cost of acquiring land, development expenditure to date and an appropriate proportion of overhead expenditure.

In considering the net realisable value of the development site it is assumed that the site will be fully developed and the completed units sold in the ordinary course of the Limited Liability Partnership's business, and that the site would not be placed on the market for immediate sale in its existing state.

e. Impairment of assets

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

f. Taxation

Income tax payable on the partnership's profits is solely the liability of the individual Members and consequently is not dealt with in these financial statements.

Montgomery's Wharf LLP

Notes to the financial statements (continued) Period from 18 May 2021 to 31 December 2021

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the LLP's accounting policies, which are described in note 1, the Members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the LLP's accounting policies

Valuation of stocks

Stocks include land and buildings in the course of development in respect of current and future development sites. Net realisable value represents the estimated selling price (in the ordinary course of business) less all estimated costs of completion and overheads. Valuations of site work in progress are carried out at regular intervals and estimates of the cost to complete a site and estimates of anticipated revenues are required to enable a development profit to be determined. The members are required to employ judgement in estimating the profitability of a site and in assessing any impairment provisions which may be required (see note 4).

Key sources of estimation uncertainty

The Members do not consider there to be any key sources of estimation uncertainty.

3. Operating loss

Auditor's fees for the audit of the LLP's financial statements of £3,000 have been borne equally by the Members. There were no non-audit fees paid to the LLP's auditor during the period.

The LLP had no employees during the period.

4. Stocks

	£'000
Work in progress	44,885
	<u>44,885</u>

5. Debtors

	£'000
VAT receivable	41
	<u>41</u>

Montgomery's Wharf LLP

Notes to the financial statements (continued) Period from 18 May 2021 to 31 December 2021

6. Creditors: amounts falling due within one year

	£'000
Amounts owed to Fairview Estates (Housing) Limited	878
Accruals	33,600
	<u>34,478</u>

Amounts owed to Fairview Estates (Housing) Limited are unsecured, interest-free and repayable on demand.

7. Information in relation to Members

(i) Members' capital

	Fairview New Homes Limited £'000	Fairview New Homes (Chequers Way) Limited £'000	Total £'000
Net capital introduced during the period	5,278	5,278	10,556
At 31 December 2021	<u>5,278</u>	<u>5,278</u>	<u>10,556</u>

(ii) Average number of Members

The average number of Members during the year was 2.

(iii) Profit distribution

Profits, and losses, are shared equally between the members.

8. Related party transactions

During the year, Fairview Estates (Housing) Limited, a subsidiary company of Fairview New Homes Limited (a Member of the LLP) invoiced the LLP for subcontractor costs of £489,237. Amounts due to Fairview Estates (Housing) Limited at 31 December 2021 were £877,735 (note 6).

The amounts due to Fairview New Homes Limited and Fairview New Homes (Chequers Way) Limited at 31 December 2021 are shown in note 7.

The Members' capital contributions and repayments are disclosed in note 7.

9. Controlling party

At 31 December 2021 the members were Fairview New Homes (Chequers Way) Limited and its parent company, Fairview New Homes Limited. The ultimate parent company was Fairview Holdings Limited, all three companies are incorporated in the United Kingdom and are registered in England and Wales at 50 Lancaster Road, Enfield, Middlesex EN2 0BY. The ultimate controlling party was the Fairview Holdings Limited Employee Benefit Trust.

The largest and smallest group of undertakings for which group accounts to 31 December 2021 are drawn up and of which the Company is a member is Fairview Holdings Limited. Copies of the group accounts may be obtained from the registered office, 50 Lancaster Road, Enfield, Middlesex EN2 0BY.

Montgomery's Wharf LLP

Notes to the financial statements (continued) Period from 18 May 2021 to 31 December 2021

10. Events after the balance sheet date

On 8 June 2022 Fairview New Homes (Chequers Way) Limited, a member of the LLP, sold its partnership interest to Latimer Developments Limited.

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