

Cox Lane (General Partner) Limited

Dormant Account

For the year ended 30 April 2018

**Partnership
Accounts**

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COMPANIES HOUSE

Cox Lane (General Partner) Limited

Balance Sheet as at 30 April 2018

	2018 £	2017 £
Current assets		
Called up share capital not paid	<u>1</u>	<u>1</u>
Total assets less current liabilities	<u>1</u>	<u>1</u>
Capital and reserves		
Issued share capital	<u>1</u>	<u>1</u>
Shareholder's funds	<u>1</u>	<u>1</u>

Audit exemption statement

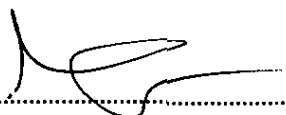
For the financial year ended 30 April 2018, the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies.

Director's responsibilities:

- The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These abbreviated financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board for issue on 3 October 2018



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Andrew Speedie
Director

Company Registration No. SC376941

Cox Lane Limited Partnership

Report and Audited Financial Statements

Year ended 31 March 2018

Registered number: SL007918

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General Partner and Service Providers

General Partner

Cox Lane (General Partner) Limited
Third Floor, George House
50 George Square
Glasgow
G2 1EH

Operator

Magarch Limited
Suite 240
Baltic Chambers
50 Wellington Street
Glasgow
G2 6HJ

Property Manager

Savills Commercial Limited
20 Grosvenor Hill
Berkeley Square
London
W1K 3HQ

Independent Auditors

Johnston Carmichael LLP
227 West George Street
Glasgow
G2 2ND

Bankers

Santander UK plc
Corporate Charging
Bootle
Merseyside
GIR 0AA

Limited Partners

Vistra Trust Corporation (UK) Ltd
Third Floor
11-12 St James's Square
London
SW1Y 4LB

Fund Manager

Keills Limited
Suite 240
Baltic Chambers
50 Wellington Street
Glasgow
G2 6HJ

Independent Valuers

Colliers International
1 Exchange Crescent
Conference Square
Edinburgh
EH3 8AN

Legal Advisors (UK)

Anderson Strathern LLP
Third Floor, George House
50 George Square
Glasgow
G2 1EH

Asset Manager

Stephen Doyle
23 Castlevue Avenue
Paisley
PA2 8EE

General Partner's Report

The General Partner presents its report and audited financial statements for the year ended 31 March 2018.

Principal Activities

The Fund was registered in Scotland as a limited partnership on 24 May 2010 as Nicolson Street (Edinburgh) Limited Partnership under the Limited Partnership Act 1907 and on 18 May 2016 changed its name to Cox Lane Limited Partnership. The principal activity of the Fund is that of property investment.

On 16 June 2016, the Fund invested in a car park at Cox Lane, Ipswich, a property let to the tenant noted below.

Tenant	Expiry Date	Passing Rent	Review Basis
National Car Parks Limited	15 June 2051	£137,800	Annually to RPI subject to cap and collar of 2% and 4%

Results

The results for the year are set out in the Statement of Comprehensive Income on page 8.

Partners' Contributions

The Partners' contributions totalled:

	As at 31 March 2018 £
General Partner capital account	1
Limited Partner Keills Property Trust capital account	99
Limited Partner Keills Property Trust loan account	2,808,489
	<hr/> 2,808,589 <hr/>

Rights and Entitlement of Partners

The surpluses/(losses) of the Fund were charged to the Partners' accounts as follows:

	As at 31 March 2018 £
Vistra Trust Corporation (UK) Ltd as trustee of Keills Property Trust	185,307
	<hr/> 185,307 <hr/>

The General Partner has opted to take advantage of the exemption available under s4148 of the Companies Act 2006 not to prepare a strategic report.

Approved by the Board of Directors of the General Partner on 4 July 2018 and signed on its behalf by:



A Speedie
Director
Cox Lane (General Partner) Limited

Statement of General Partner's Responsibilities

The General Partner is required by the Limited Partnership Agreement to prepare financial statements for each financial period in accordance with Company Law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice), which give a true and fair view of the state of affairs of the Fund as at the end of the financial period and of the profit or loss for that period. In preparing these financial statements the General Partner is required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is not appropriate to presume that the Fund will continue in business

The General Partner confirms that the financial statements comply with the above requirements.

The General Partner is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Fund and to enable them to ensure that the financial statements give a true and fair view. The General Partner is also responsible for safeguarding the assets of the Fund and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of Information to Auditors

In the case of each of the persons who are directors of the General Partner at the time when this report was approved, the following applies:

So far as each Director is aware, there is no relevant audit information of which the Fund's auditors are unaware. Each of the directors have taken all of the steps that ought to have been taken as Director of the General Partner in order to make himself aware of any relevant audit information and to establish that the Fund's auditors are aware of that information.

The General Partner is required to act in the best interests of the Fund and perform its obligations under the Limited Partnership Agreement dated 24 May 2010. Other duties of the General Partner are detailed in clause 7 of the Limited Partnership Agreement.

Signed on behalf of Cox Lane Limited Partnership:



A Speedie
Director
Cox Lane (General Partner) Limited

4 July 2018

Independent Auditor's Report to the Members of Cox Lane Limited Partnership

Opinion

We have audited the financial statements of Cox Lane Limited Partnership (the 'partnership') for the year ended 31 March 2018 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- *give a true and fair view of the state of the qualifying partnership's affairs as at 31 March 2018, and of its profit for the year then ended;*
- *have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and*
- *have been prepared in accordance with the requirements of the Companies Act 2006 as applied to qualifying partnerships*

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 qualifying partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- *the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or*
- *the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the qualifying partnerships ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.*

Other information

The members are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Members of Cox Lane Limited Partnership

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Opinions on other matters prescribed by the Companies Act 2006 as applied to qualifying partnerships

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.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the qualifying partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the members' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to qualifying 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
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to take advantage of the small qualifying partnerships' exemptions in preparing the members' report and from the requirement to prepare a strategic report.

Responsibilities of the General Partner

As explained more fully in the General Partner's responsibilities statement set out on page 4, the general partner is 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 general partner 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 qualifying 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 qualifying 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.

Independent Auditor's Report to the Members of Cox Lane Limited Partnership

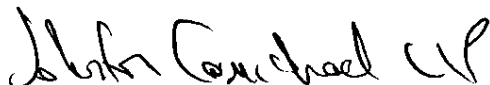
As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the qualifying partnership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the qualifying partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the qualifying partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Gavin Young (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP
227 West George Street, Glasgow

13 July 2018

Statement of Comprehensive Income

For the year ended 31 March 2018

	Note	Revenue £	Capital £	Year ended 31 March 2018 Total £	Revenue £	Capital £	Year ended 31 March 2017 Total £
Gain/(Loss) on investments held at fair value		-	80,000	80,000	-	(147,803)	(147,803)
Income from investments		136,748	-	136,748	107,888	-	107,888
Gross Return		136,748	80,000	216,748	107,888	(147,803)	(39,915)
Administrative expenses	2	(31,441)	-	(31,441)	(27,548)	-	(27,548)
Net return/(loss) on ordinary activities before taxation		105,307	80,000	185,307	80,340	(147,803)	(67,463)
Taxation		-	-	-	-	-	-
Net (loss)/return on ordinary activities after taxation		105,307	80,000	185,307	80,340	(147,803)	(67,463)

The accompanying notes in pages 12 to 17, form an integral part of these financial statements. There have been no gains or losses that would be required to be recognised in the statement of other comprehensive income.

Statement of Financial Position

As at 31 March 2018

		As at 31 March 2018	As at 31 March 2017
	Notes	£	£
ASSETS			
Fixed assets			
Investments held at fair value	3	2,715,000	2,635,000
Current assets			
Debtors	4	-	39,750
Cash and short term deposits		86,245	945
		<u>86,245</u>	<u>40,695</u>
Total assets		<u>2,801,245</u>	<u>2,675,695</u>
LIABILITIES			
Creditors: amounts falling due within one year	5	60,464	47,450
		<u>60,464</u>	<u>47,450</u>
Total net assets		<u>2,740,781</u>	<u>2,628,245</u>
Represented by			
Capital and reserves			
Partners' Capital		100	100
Partners' Loans		2,808,489	2,775,948
Capital reserves		(67,803)	(147,803)
		<u>2,740,781</u>	<u>2,628,245</u>

The accompanying notes in pages 12 to 17 form an integral part of these financial statements

Approved by the Board of Directors of the General Partner on 4 July 2018 and signed on its behalf by



A Speedie
Director
Cox Lane (General Partner) Limited

Statement of Changes in Equity

For the year ended 31 March 2018

	Partners' Capital £	Partners' Loans £	Capital Reserve £	Total £
As at 1 April 2016	100	50,432	-	50,532
Net return on ordinary activities	-	80,340	(147,803)	(67,463)
Loan advanced	-	2,756,000	-	2,756,000
Distributions	-	(110,824)	-	(110,824)
As at 31 March 2017	100	2,775,948	(147,803)	2,628,245
Net return on ordinary activities	-	105,307	80,000	185,307
Loan advanced	-	-	-	-
Distributions	-	(72,771)	-	(72,771)
As at 31 March 2018	100	2,808,484	(67,803)	2,740,781

Statement of Cash Flows

Year ended 31 March 2018

Year ended 31 March 2018

Year ended 31 March 2017

	Notes	£	£
Cash flow from operating activities			
Cash (outflow)/inflow from operations	7	138,033	82,625
Net cash (outflow)/inflow from operating activities		<u>138,033</u>	<u>82,625</u>
Cash flow from investing activities			
Interest received		38	2,367
Interest paid		-	-
Investments made		-	(2,782,803)
Net cash inflow from investing activities		<u>38</u>	<u>(2,780,436)</u>
Cash flow from financing activities			
Distributions paid		(52,771)	(110,824)
Loans (repaid)/advanced		-	2,756,000
Net cash outflow from financing activities		<u>(52,771)</u>	<u>2,645,176</u>
Net (Decrease)/Increase in cash and cash equivalents		<u>85,300</u>	<u>(52,635)</u>
Cash and cash equivalents at beginning of year		<u>945</u>	<u>53,580</u>
Cash and cash equivalents at end of year		<u>86,425</u>	<u>945</u>

The accompanying notes in pages 12 to 17, form an integral part of these financial statements

Notes to the Financial Statements

Year ended 31 March 2018

1. Accounting Policies

a) General information and basis of preparation.

Cox Lane Limited Partnership is a limited partnership registered in Scotland. The address of the registered office is Suite 240, Baltic Chambers, 50 Wellington Street, Glasgow G2 6HJ.

These financial statements as required by the Limited Partnership Agreement have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and in accordance with Company Law.

The financial statements are prepared in Sterling, which is the functional currency of the Fund. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

b) Recognition of Income

Rental income is accounted for on an accruals basis. Rental income received in respect of operating leases excludes charges for services such as insurance and maintenance. Other income is recognised on the accruals basis.

c) Expenses

Expenses are accounted for on an accruals basis.

All property operational expenses are included in Administrative expenses in the Statement of Comprehensive Income.

d) Provision for Bad Debts

The potential non-recovery of tenant debts and any arrears greater than one year old are provided for by way of a bad debt provision.

e) Service Charges

Service charges are recharged to the tenant while the property is occupied unless specified in the lease agreement. In accordance with FRS 102, these service charges have been included within income and expenses in the Statement of Comprehensive Income. Any charges arising while the property is unoccupied are invoiced to and paid by the Fund and included in Administrative expenses in the Statement of Comprehensive Income.

f) Distribution Policy

It is the policy of the Fund to distribute all profits to the Partners on a discretionary basis, in accordance with the Limited Partnership Agreement.

Notes to the Financial Statements (cont.)

Year ended 31 March 2018

g) Investment property

Investment property is valued at fair value at each reporting date with changes in fair value recognised in the Statement of Comprehensive Income.

h) Taxation

The Limited Partnership is not itself subject to taxation. Any partner liable to taxation on its participation in the Limited Partnership is responsible for settling the liabilities independently of the Limited Partnership.

i) Interest Receivable

Interest receivable is accounted for on an accruals basis.

j) Finance Costs

Finance costs comprise interest payable, and are accounted for on an accruals basis.

k) Investment Loans

Investment loans are recognised at cost.

l) Interest on Partners' Capital Accounts

No interest is payable in respect of Partners' contributions.

m) Deferred Expenditure

Amounts relating to future periods that have been paid prior to the period end are recognised as a debtor in the accounts.

n) Deferred Income

Rental income is due to be paid one quarter in advance and therefore the portion of this rent that does not relate to the current period is recognised as a creditor in the accounts.

o) Derivative Financial Instruments

It is not the Fund's policy to trade in derivative instruments.

p) Provisions for Liabilities and Charges

Provisions are recognised when the Fund has a present obligation as a result of a past event and it is probable that the obligation will require settlement and the amount of the obligation can be reliably estimated.

q) Financial Instruments

Financial instruments are recognised in the Fund's Statement of Financial Position when the Fund becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

r) Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

s) Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the Statement of Comprehensive Income.

t) Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

u) Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Notes to the Financial Statements (cont.)

Year ended 31 March 2018

v) Basic financial liabilities

Basic financial liabilities, including trade and other creditors and bank loans are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

w) Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Fund's obligations are discharged, cancelled, or they expire.

x) Judgements and key sources of estimation uncertainty

In the application of the Fund's accounting policies, the General Partner is required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Directors of the General Partner consider that the key estimation uncertainty of the Fund is the investment property valuation. Details of this are set out in note 3. Details of the other key risks of the Fund are set out in note 11.

2. Administrative expenses

	Year ended 31 March 2018	Year ended 31 March 2017
	£	£
Audit fee	2,130	2,275
Management fees	19,818	16,640
Operator and other fees	9,493	8,633
	<u>31,441</u>	<u>27,548</u>

The audit fee for the period ended 31 March 2018 was £2,130 (2017 : £2,275).

A Property Management fee was payable to a related party at the time of payment. The total fee payable by the Fund for the year ended 31 March 2018 is £19,818 (2017: £16,640).

Operator and other fees include tax services provided by the auditors of £540 (2017 : £550).

Notes to the Financial Statements (cont.)

Year ended 31 March 2018

3. Property Related Investments

	Historic cost	Revaluation Deficit	Total Investments
	£	£	£
At 1 April 2017	2,782,803	(147,803)	2,635,000
Additions	-	-	-
Fair value adjustments	-	80,000	80,000
At 31 March 2018	2,782,803	(67,803)	2,715,000
At 31 March 2017	2,782,803	(147,803)	2,635,000

Investment Properties

Investment properties were subject to valuation by Colliers International, Independent Chartered Surveyors as at 31 March 2018. Property investments are included at Market Value. The significant assumptions in the valuation are based on the remaining term of the lease until 2051 and rent reviews being to RPI with a cap of 4% and collar of 2%.

4. Debtors

	As at 31 March 2018	As at 31 March 2017
	£	£
Trade debtors	-	39,750

5. Creditors: amounts falling due within one year

	As at 31 March 2018	As at 31 March 2017
	£	£
Trade creditors	-	8,930
Accruals and deferred income	3,420	3,170
Other creditors	51,421	30,213
Tax	5,623	5,137
	60,464	47,450

6. Financial instruments

Financial Instruments	As at 31 March 2018	As at 31 March 2017
The carrying value of the Funds financial instruments are as follows:		
	£	£
Carrying amount of financial asset		
Debt instrument measured at amortised cost	86,245	40,695
Carrying amount of financial liability		
Measured at amortised cost	3,420	12,100

Notes to the Financial Statements (cont.)

Year ended 31 March 2018

7. Cash generated from operations

	Year ended 31 March 2018	Year ended 31 March 2017
	£	£
Net return on activities after taxation from Revenue activities	105,307	80,340
Interest received	(38)	(2,367)
Decrease/(Increase) in debtors	39,750	(39,750)
Increase in creditors	(6,986)	44,402
Net cash inflow/(outflow) from operating activities	138,033	82,625

8. Leases

Operating leases – lessor

The details of operating leases are included in the General Partner's Report on page 3. The total minimum lease payments under non-cancellable operating leases are as follows:

	As at 31 March 2018	As at 31 March 2017
	£	£
Not later than one year	137,800	132,500
Later than but not more than five years	551,200	530,000
Later than five years	3,858,400	3,842,500

9. Related Party Transactions

Information about related party transactions and outstanding balances is outlined below.

	Services purchased £	Outstanding balance £
Entities with control, joint control or significant influence		
Year ended 31 March 2018	25,068	-
Year ended 31 March 2017	21,727	8,630

10. Ultimate Controlling Party

Cox Lane (General Partner) Limited, as the General Partner of Cox Lane Limited Partnership, represents the ultimate controlling party.

Notes to the Financial Statements (cont.)

Year ended 31 March 2018

11. Financial Instruments and Financial Risk Management

The Fund's financial instruments comprise loans, cash, receivables and payables that arise directly from its operations. The main risks arising from the Fund's financial instruments are market risk, credit risk, liquidity risk and interest rate risk. The Directors of the General Partner review and agree policies for managing risk exposure. These policies are described below and have remained unchanged for the year under review.

Market risk - The Fund is exposed to property market risks. These risks include adverse investment and occupier markets which could cause the value of the investment properties or rental income streams to reduce. These factors are beyond the Fund's control. However the Fund can manage the risk by diversifying the investment by sector, by valuing its investments on a quarterly basis to ensure the investments hold their value, by the management of leasing terms, and by the number of tenancies. The Fund's investments comprise UK commercial property. Property and property related assets are inherently difficult to value due to the individual nature of each property. As a result, valuations are subject to substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales price even where such sales occur shortly after the valuation date

Credit risk - Credit risk is the risk that an issuer or counter party will be unable or unwilling to meet a commitment that it has entered into with the Fund. In the event of default by an occupational tenant, the Fund will suffer a rental shortfall and incur additional costs, including legal expenses, in maintaining, insuring and marketing the property until it is re-let. The maximum credit risk from the rent receivables of the Fund at 31 March 2017 is £132,500 (2016: nil). The Directors of the General Partner receive regular reports on concentrations of risk and any tenants in arrears and monitor such reports in order to anticipate, and minimise the impact of, defaults by occupational tenants. With respect to credit risk arising from other financial assets of the Fund, which comprise cash and cash equivalents, the Fund's exposure to credit risk arises from default of the counter party with a maximum exposure equal to the carrying value of the instruments.

Liquidity risk - Liquidity risk is the risk that the Fund will encounter in realising assets, paying redemptions or otherwise raising funds to meet financial commitments. This risk is managed by regular cash flow reviews to ensure sufficient funds are available to cover expenses.

Inflation risk - The Fund is exposed to price inflation on expenditure commitments. The risk is mitigated by regular rental reviews to ensure that rental income increases.