

# Natural Land 1 LLP

## FINANCIAL STATEMENTS

for the year ended

31 March 2013



# Natural Land 1 LLP

## DESIGNATED MEMBERS AND ADVISORS

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### DESIGNATED MEMBERS

K2 Capital Partners Limited  
DOL Park Limited

### REGISTERED OFFICE

Whitecroft House  
51 Water Lane  
Wilmslow  
Cheshire  
England  
SK9 5BQ

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF

# Natural Land 1 LLP

## REPORT OF THE MEMBERS

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The members submit their report and financial statements of Natural Land 1 LLP for the year ended 31 March 2013

### PRINCIPAL ACTIVITIES

The LLP's principal activity is that of land owner

### RESULTS FOR THE YEAR AND ALLOCATION TO MEMBERS

The loss for the year available for distribution to members was £25,373 (2012 Loss £31,841)

### DESIGNATED MEMBERS

The following were designated members during the year

K2 Capital Partners Limited  
DOL Park Limited

### POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND SUBSCRIPTION AND REPAYMENTS OF AMOUNTS SUBSCRIBED OR OTHERWISE CONTRIBUTED BY MEMBERS

As stated in the Limited Liability Partnership agreement, the distribution of any profit or capital contributions out of the Limited Liability Partnership requires the unanimous consent of the members. Net income and net income losses are allocated first to the repayment of members' loan contributions, with any remaining net income or net income losses split between A and B members. The designated members' share of net income shall be equal to 0.001% of the aggregate net income in any accounting period.

Distributions of net income and capital can only be made at the discretion of the designated members and distributions can only be made if there is sufficient cash available to do so and it would render the LLP insolvent.

### AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office

On behalf of the members



A Wild  
On behalf of DOL Park Limited

Designated member

16/12/13

# Natural Land 1 LLP

## STATEMENT OF RESPONSIBILITIES OF THE MEMBERS IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Legislation applicable to limited liability partnerships requires 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)

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 period.

In preparing those financial statements, the members are required to

- a select suitable accounting policies and then apply them consistently,
- b make judgements and accounting estimates that are reasonable and prudent,
- c 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 proper accounting records that are sufficient to show and explain the LLP's transactions and 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 modified by the Limited Liability Partnerships Act 2000 and regulations made thereunder. The members 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
NATURAL LAND I LLP

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We have audited the financial statements on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

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 by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. 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.

**Respective responsibilities of members and auditor**

As more fully explained in the Members' Responsibilities Statement on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at

[http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx)

**Opinion on financial statements**

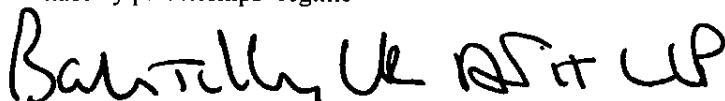
In our opinion the financial statements

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 31 March 2013 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 as applied to limited liability 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
- we have not received all the information and explanations we require for our audit, or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships' regime.



Graham Bond FCA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

3 Hardman Street

Manchester

M3 3HF

Date

20/12/2013

**Natural Land 1 LLP**  
**PROFIT AND LOSS ACCOUNT**  
for the year ended 31 March 2013

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	<i>Notes</i>	2013 £	2012 £
TURNOVER		—	—
Administrative expenses		<u>(25,372)</u>	<u>(31,841)</u>
OPERATING LOSS	2	(25,372)	(31,841)
Interest payable		(1)	—
LOSS FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>(25,373)</u>	<u>(31,841)</u>
Members' remuneration charged as an expense	3	(88,435)	(72,478)
LOSS FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>(113,808)</u>	<u>(104,319)</u>

**Natural Land 1 LLP**  
BALANCE SHEET  
As at 31 March 2013

	<i>Notes</i>	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	4	592,478	542,830
<b>CURRENT ASSETS</b>			
Debtors	5	3,990	22,385
Cash at bank		409	968
		4,399	23,353
<b>CREDITORS</b>			
Amounts falling due within one year	6	(4,932)	(7,547)
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<b>(533)</b>	<b>15,806</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>591,945</b>	<b>558,636</b>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<b>591,945</b>	<b>558,636</b>
<b>REPRESENTED BY</b>			
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>			
Other amounts	9	591,880	558,571
<b>EQUITY</b>			
Members' other interests - members' capital	10	65	65
		591,945	558,636
<b>TOTAL MEMBERS' INTERESTS</b>			
Loans and other debts due to members	9	591,880	558,571
Members' other interests	10	65	65
		591,945	558,636

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 (as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit)(Application of Companies Act 2006) Regulations 2008) applicable to limited liability partnerships subject to the small limited liability partnership regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 4 to 10 were approved by the members and authorised for issue on 16/12/13 and are signed on their behalf by

A Wild  
On behalf of DOL Park Limited



**Natural Land 1 LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2013

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**1 ACCOUNTING POLICIES**

**BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in March 2010 (SORP 2010)

**GOING CONCERN**

As part of its going concern review the Board has followed the guidelines published by the Financial Reporting Council entitled "Going Concern and Liquidity Risk Guidance for UK Companies 2009" The Board has prepared detailed financial forecasts and cash flows looking 12 months ahead from the date the accounts are signed In drawing up these forecasts the Board has made assumptions based upon its view of the current and future economic conditions that will prevail over the forecast period

The company is currently in its development phase The company's property is still currently under development and so the company is reliant on group support to cover its working capital requirements

The company has support from related parties, including its ultimate parent undertaking, and in turn, from the loan holder (and main shareholder) in the ultimate parent undertaking The loan holder (and major shareholder) is considered to have adequate capabilities to provide support as required and has formally confirmed that he will support the company and its parent undertaking for at least the next 12 months

The current cash funding requirements prepared by management have given the directors a reasonable expectation that the company will have sufficient resources available to continue in operational existence for the foreseeable future, with the confirmed continued support of its parent company and loan holder as noted above For these reasons, the directors consider it appropriate to prepare the financial statements on a going concern basis

**FIXED ASSETS**

All fixed assets are initially recorded at cost

**DEPRECIATION**

Depreciation is calculated so as to write off the cost of a tangible fixed asset, less its estimated residual value, over the useful economic life of that asset as follows

Development properties are not depreciated Upon completion they are transferred to investment properties and accounted for under SSAP 19

**OPERATING LEASE AGREEMENTS**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease



**Natural Land 1 LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2013

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1 ACCOUNTING POLICIES *(continued)*

**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 FRS 25 (IAS 32) Financial Instruments Disclosure and Presentation and UITF abstract 39 Members' shares in co-operative entities and similar instruments. 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 Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet.

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 Profit and Loss Account and are equity appropriations in the Balance Sheet.

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 Balance Sheet within 'Loans and other debts due to members' and are charged to the Profit and Loss Account within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Balance Sheet within 'Members' other interests'.

2 OPERATING LOSS

Operating loss is stated after charging

	2013	2012
	£	£
Auditor's fees	<u>1,750</u>	<u>1,750</u>

3 INFORMATION IN RELATION TO MEMBERS

	2013	2012
	£	£
Returns to members		
Amounts arising from participation rights that give rise to a liability	<u>88,435</u>	<u>72,478</u>
Total returns	<u>88,435</u>	<u>72,478</u>

**Natural Land 1 LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2013

3 INFORMATION IN RELATION TO MEMBERS *(continued)*

	2013	2012
	No	No
The average number of members during the year was	<u>2</u>	<u>2</u>
	2013	2012
	£	£
The average members remuneration during the year was	<u>44,218</u>	<u>36,239</u>

4 TANGIBLE FIXED ASSETS

	Development	Property
	£	
Cost		
At 1 April 2012		547,528
Additions		<u>49,648</u>
At 31 March 2013		<u>597,176</u>
Depreciation		
At 1 April 2012		<u>4,698</u>
At 31 March 2013		<u>4,698</u>
Net book value		
At 31 March 2013		<u>592,478</u>
At 31 March 2012		<u>542,830</u>

5 DEBTORS

	2013	2012
	£	£
Other debtors	<u>3,990</u>	<u>22,385</u>

6 CREDITORS Amounts falling due within one year

	2013	2012
	£	£
Trade creditors	549	1,998
Other creditors	<u>4,383</u>	<u>5,550</u>
	<u>4,932</u>	<u>7,548</u>

7 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2013 the LLP had aggregate annual commitments under non-cancellable operating leases as set out below

	2013	2012
	£	£
Operating leases which expire		
After more than 5 years	<u>20,000</u>	<u>20,000</u>

**Natural Land 1 LLP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2013

**8 RELATED PARTY TRANSACTIONS**

**Natural Retreats UK Limited**

The partners of K2 Equity Partners LLP, EJ Kearney, MD Spence and A Wild together with the controlling party D Gorton have an interest in Natural Retreats Management Limited which is the parent company of Natural Retreats UK Limited

During the period the company received services amounting to £57,162 (2012 - £116,220) from Natural Retreats UK Limited At 31 March 2013 £nil was owing to Natural Retreats UK Limited

**DOL Park Limited**

During the year interest totalling £88,435 (2012 - £72,478) was payable to DOL Park Limited, a designated member of the LLP

**9 LOANS AND OTHER DEBTS DUE TO MEMBERS**

	2013	2012
	£	£
Loans from members	<u>591,880</u>	<u>558,571</u>

**10 MEMBERS' INTERESTS**

	Members' other interests				
	Members' capital (classified as equity)	Other reserves	Total members' other interests	Other debts due to members	
	£	£	£	£	
Balance at 1 April 2012	65	-	65	558,571	558,636
Loss for the financial year available for discretionary division amongst members	<u>-</u>	<u>(113,808)</u>	<u>(113,808)</u>	<u>-</u>	<u>(113,808)</u>
Members' interests after loss for the year	65	(113,808)	(113,743)	558,571	444,828
Other division of losses	-	113,808	113,808	(113,808)	-
Introduced by members	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,117</u>	<u>147,117</u>
Balance at 31 March 2013	<u>65</u>	<u>-</u>	<u>65</u>	<u>591,880</u>	<u>591,945</u>

**11 CONTROLLING PARTY**

The Limited Liability Partnership is controlled by its members as delegated to the management team and as such there is no one controlling party