

ACTON GARDENS LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2014

REGISTERED NUMBER: OC351063

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ACTON GARDENS LLP
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FOR THE YEAR ENDED 30 SEPTEMBER 2014

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ACTON GARDENS LLP
MEMBERS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2014

The Members present their Report and the audited Financial Statements for Acton Gardens LLP (the "Partnership") for the year ended 30 September 2014.

REVIEW OF BUSINESS

The Partnership is a joint venture whose Designated Members for the whole of the year are Countryside Properties (UK) Limited and L&Q New Homes Limited (formerly Zest Homes Limited). The relevant percentage of each Members' interest is 50% respectively. Control is exercised pursuant to a Limited Liability Partnership Agreement dated 25 March 2011.

On 25 March 2011 the Partnership entered into a Development Agreement with Ealing Borough Council for the acquisition and re-development of circa 40 developable acres of land adjacent to Bollo Bridge Road, South Acton, Ealing.

Under the Project Management Administration and Accounting, Sales and Marketing and Regeneration Agreement dated 25 March 2011, Countryside Properties (Joint Ventures) Limited provides project management, administration and sales and marketing services and L&Q New Homes Limited provides regeneration services to the Partnership.

Countryside Properties (In Partnership) Limited provides design and build construction services to the Partnership for Phases 1 and 2 of the development under contracts dated 25 March 2011 and 10 October 2013 respectively.

Principal activities and future development

To be developed in up to 11 Phases, the development known as Acton Gardens will ultimately comprise up to 1,292 new private homes, 1,277 homes for rent and shared ownership through a Registered Provider and associated infrastructure and community facilities.

In September 2012 the Partnership secured outline planning consent for the development of Phases 3-11 and detailed planning consent for Phase 2. Phase 3 secured a detailed planning consent in January 2014 and a detailed planning application for Phase 4 was submitted in May 2014. Phase 1 is complete, subject to 3 private units being retained to be used as a sales and marketing suite for Phase 2.

Development of Phase 2 commenced in October 2013 comprising 60 private homes and 46 affordable homes, with the first new homes due for completion by May 2015.

Construction of Phase 3, comprising 146 private and 94 units for rental/shared ownership commenced in June 2014.

Trading results

The Partnership recorded a profit for the financial year before Members' distribution of £112,140 (2013: £5,519,388) which is reported in the profit and loss account on page 5.

During the year the Partnership distributed discretionary profits of £5,519,388 (2013: £216,568) to the Members in the Partnership ratio. A further distribution of £112,140 was proposed and made in the Partnership ratios in November 2014.

Financing

Pursuant to the Limited Liability Partnership Agreement dated 25 March 2011 the Partnership had committed secured funding by way of non-interest-bearing loans of £5,103,624 (2013: £Nil) from the Members to finance the development at the balance sheet date.

The Members will continue to fund the future development activities of the Partnership for the foreseeable future, in accordance with the Partnership Agreement.

Members' drawings including the allocation of profits/(losses) and distribution to Members are pursuant to the Partnership Agreement which makes provision for the working capital requirements of the Partnership in priority to Members' drawings and/or distributions and repayment of Members' Loans. Unallocated profits/(losses) are included in the profit and loss account reserves within Member's Interests.

At 30 September 2014, amounts advanced to the Partnership by Designated Members were as disclosed below. These amounts are treated as equity for the purposes of these Financial Statements.

	2014 £m	2013 £m
L&Q New Homes Limited	2.55	-
Countryside Properties (UK) Limited	2.55	-
	<u>5.10</u>	<u>-</u>

Net decrease in cash for the year was £5,299,969 (2013: £6,361,093 increase).

GOING CONCERN

The Members have confirmed that they will continue to fund the Partnership's future cash requirements and as such it is considered that there is a reasonable expectation that the Partnership 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.

MEMBERS' RESPONSIBILITIES STATEMENT IN RESPECT OF THE FINANCIAL STATEMENTS

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

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations") requires the Members to prepare Financial Statements for each financial year. Under that law the Members have prepared the Partnership Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to limited liability partnerships the Members must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the partnership and of the profit or loss of the partnership for that period. In preparing these Financial Statements, the Members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;

The Members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the Financial Statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

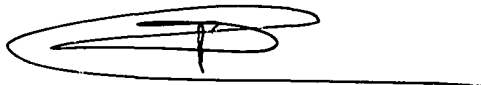
DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Members are aware, there is no relevant audit information of which the Partnership's auditors are not aware. The Members have taken all the relevant steps that they ought to have taken in their duty as a Member to make themselves aware of any relevant audit information and to establish that the Partnership's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

PricewaterhouseCoopers LLP have indicated their willingness to continue in office as independent auditors and accordingly they are deemed to be re-appointed as independent auditors for a further term.

Approved by the Designated Members and signed on their behalf by:



Countryside Properties (UK) Limited
Designated Member

19 February 2015

OUR OPINION

In our opinion, Acton Gardens LLP's financial statements (the "financial statements"):

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 September 2014 and of its loss and cash flows 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 limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

WHAT WE HAVE AUDITED

Acton Gardens LLP's financial statements comprise:

- the Balance Sheet as at 30 September 2014;
- the Profit and Loss Account for the year then ended;
- the Cash Flow Statement for the year then ended;
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the members have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the members

As explained more fully in the Members' Responsibilities Statement in respect of the Financial Statements set out on page 2, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with 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 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

WHAT AN AUDIT OF FINANCIAL STATEMENTS INVOLVES

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the designated members; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the members' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Christopher Burns (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

20 February 2015

ACTON GARDENS LLP
 PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Note	2014 £	2013 £
Turnover	14	3,791,569	28,300,946
Cost of sales		(3,601,041)	(22,703,396)
		<hr/>	<hr/>
Gross profit		190,528	5,597,550
Administrative expenses	2	(78,141)	(77,700)
Operating profit	3 & 14	112,387	5,519,850
Interest payable and similar charges	4	(247)	(462)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	11	112,140	5,519,388
Members' discretionary profit distribution		(5,519,388)	(216,568)
		<hr/>	<hr/>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR AVAILABLE AFTER DISCRETIONARY DIVISION AMONG MEMBERS		(5,407,248)	5,302,820
		<hr/>	<hr/>

The (loss)/profit for the financial years arise from continuing operations.

There is no material difference between the profit for the financial year before Members' remuneration and profit shares available for discretionary division among Members stated above and their historical cash equivalents.

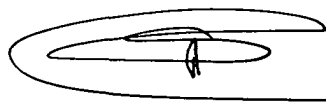
There are no recognised gains and losses for the current year other than as stated in the profit and loss account and therefore no separate Statement of Recognised Gains and Losses has been presented.

The notes on pages 8 to 13 form part of these Financial Statements.

ACTON GARDENS LLP
BALANCE SHEET
FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Note	2014 £	2013 £
CURRENT ASSETS			
Stocks	5	17,503,173	3,123,605
Debtors	6	591,040	276,985
Cash at bank and in hand		1,132,924	6,432,893
		<u>19,227,137</u>	<u>9,833,483</u>
CREDITORS: amounts falling due within one year	7	<u>(6,704,898)</u>	<u>(3,975,850)</u>
NET CURRENT ASSETS		<u>12,522,239</u>	<u>5,857,633</u>
CREDITORS: amounts falling due after more than one year	8	<u>(7,306,475)</u>	<u>(338,245)</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>5,215,764</u>	<u>5,519,388</u>
REPRESENTED BY:			
MEMBERS' OTHER INTERESTS			
Members' capital	9	5,103,624	-
Other reserves	10	<u>112,140</u>	<u>5,519,388</u>
	11	<u>5,215,764</u>	<u>5,519,388</u>
TOTAL MEMBERS' INTERESTS			
Members' Other Interests		5,215,764	5,519,388
Amounts due to Members		1,805,113	572,032
Amounts due from Members		<u>(360,533)</u>	<u>(205,545)</u>
		<u>6,660,344</u>	<u>5,885,875</u>

The Financial Statements on pages 5 to 13 were approved by the Designated Members and were signed on their behalf by:



Countryside Properties (UK) Limited
Designated Member

19 February 2015

Registered Number: OC351063

ACTON GARDENS LLP
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Note	2014 £	2014 £	2013 £	2013 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	12		(4,883,958)		15,665,311
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
Interest paid	4	<u>(247)</u>		<u>(462)</u>	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			<u>(247)</u>		<u>(462)</u>
NET CASH (OUTFLOW)/INFLOW BEFORE TRANSACTIONS WITH MEMBERS			(4,884,205)		15,664,849
TRANSACTIONS WITH MEMBERS					
Increase/(decrease) in Members' loans	11		5,103,624		(9,087,188)
Members' discretionary profit distribution	11		<u>(5,519,388)</u>		<u>(216,568)</u>
NET CASH OUTFLOW FROM TRANSACTIONS WITH MEMBERS	13		<u>(415,764)</u>		<u>(9,303,756)</u>
(DECREASE)/INCREASE IN CASH IN THE YEAR	13		<u>(5,299,969)</u>		<u>6,361,093</u>

1 ACCOUNTING POLICIES

Basis of preparation

These Financial Statements are prepared on the going concern basis, under the historical cost convention in accordance with applicable United Kingdom accounting standards, in accordance with the Companies Act 2006 (as applied to Limited Liability Partnerships) and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (issued March 2010).

The principal accounting policies of the Partnership which have been applied consistently in the current year are as follows:

Turnover

Turnover comprises sales of properties where building has been completed and the property has been legally transferred to the purchaser and is included at the value of the total consideration receivable by the Partnership.

In the case of long term building contracts, turnover includes amounts invoiced during the year for work certified as completed on the contract. Turnover on land is recognised when all material aspects of the contract have been completed.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour costs and those overheads which have been incurred in bringing the stocks to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing and selling.

Deferred income

Deferred income represents advance cash deposits for the purchase of properties which are recognised as turnover on completion of sale of the related properties.

Gross profit/(loss)

Profit is taken on legal completion of each property sale or land disposal assuming all material aspects of the contract have been completed, except in the case of long-term building contracts where attributable profit is taken having regard to the proportion of the contract completed at the balance sheet date. Profit is taken at the anticipated margin for each development. Losses are taken to the profit and loss account when identified.

Members' drawings and allocation of profits/(losses)

Members' drawings including the allocation of profits/(losses) and distributions to Members are made pursuant to a Limited Liability Partnership Agreement dated 25 March 2011. The Agreement makes provision for the working capital requirements of the Partnership in priority to Members' drawings and/or distributions and repayment of Members' Loans. Unallocated profits/(losses) are included in the profit and loss account reserves within Members' Interests.

Trade creditors

Trade creditors on normal terms are not interest-bearing and are stated at their nominal value.

Taxation

The Partnership is not liable to taxation and any liability or benefit for taxation arising on profits or losses from the Partnership is borne by the Members.

Members' loans

The Members' loans have been classified as equity in accordance with Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (issued March 2010).

Members' loans included within Members' Capital are repayable on demand, subject to the consent of all Members' and on the disposal of the underlying net assets of the Partnership and may therefore fall due after more than one year.

Members' loans rank in priority to other unsecured creditors in the event of a winding-up.

ACTON GARDENS LLP
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 FOR THE YEAR ENDED 30 SEPTEMBER 2014

2	ADMINISTRATIVE EXPENSES	2014	2013
		£	£
	Audit services:		
	- Statutory audit	5,356	5,200
	Tax services:		
	- Compliance services	2,750	2,500
	Other services:		
	- Accountancy and administration	70,035	70,000
		<u>78,141</u>	<u>77,700</u>

3 OPERATING PROFIT

Members' remuneration paid by the Partnership in the year ended 30 September 2014 amounted to £Nil (2013: £Nil). The Partnership had no employees in the year (2013: None).

The Partnership is a Limited Liability Partnership. The Designated Members at the balance sheet date are L&Q New Homes Limited and Countryside Properties (UK) Limited and their 'relevant percentage' (proportion of investment) is 50% respectively. All Designated Members are represented on the Board of the Partnership.

The average number of Designated Members in the year was 2 (2013: 2).

4 INTEREST PAYABLE AND SIMILAR CHARGES

	2014	2013
	£	£
Other interest payable	247	462
	<u>247</u>	<u>462</u>

5 STOCKS

	2014	2013
	£	£
Land	7,121,835	131,748
Development work in progress	10,381,338	2,991,857
	<u>17,503,173</u>	<u>3,123,605</u>

6 DEBTORS

	2014	2013
	£	£
Trade debtors	360,533	205,545
Other taxation	230,507	71,440
	<u>591,040</u>	<u>276,985</u>

Trade debtors include amounts due from related party undertakings as disclosed in Note 15.

7 CREDITORS: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	3,657,120	898,634
Accruals and deferred income	8,106	7,700
Land creditors	3,039,672	3,069,516
	<u>6,704,898</u>	<u>3,975,850</u>

Trade creditors include amounts due to related undertakings as disclosed in Note 15.

ACTON GARDENS LLP
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2014

8 CREDITORS: amounts falling due after more than one year

	2014 £	2013 £
Trade creditors	284,773	338,245
Land creditors	<u>7,021,702</u>	<u>-</u>
	<u>7,306,475</u>	<u>338,245</u>

Trade creditors include amounts due to related undertakings as disclosed in Note 15.

9 MEMBERS' CAPITAL

	2014 £	2013 £
L&Q New Homes Limited	2,551,812	-
Countryside Properties (UK) Limited	<u>2,551,812</u>	<u>-</u>
	<u>5,103,624</u>	<u>-</u>

All Designated Members are represented on the Board of the Partnership. Each Designated Member has a voting right in their equity proportion on operational management. No Designated Member has ultimate control.

10 MEMBERS' OTHER INTERESTS – OTHER RESERVES CLASSIFIED AS EQUITY

	2014 £	2013 £
Profit distribution to each Member:		
L&Q New Homes Limited	56,070	2,759,694
Countryside Properties (UK) Limited	<u>56,070</u>	<u>2,759,694</u>
	<u>112,140</u>	<u>5,519,388</u>

11 TOTAL MEMBERS' INTERESTS

	Members' Capital £	Other Reserve £	Members' other interests Total £	Amounts due to/(from) Members £	Total Members' Interests 2014 £	Total Members' Interests 2013 £
Amounts due to Members	-	-	-	572,032	-	-
Amounts due from Members	-	-	-	<u>(205,545)</u>	-	-
Members' interests at 1 October 2013	-	5,519,388	5,519,388	366,487	5,885,875	8,768,323
Net injections of capital in the financial year	5,103,624	-	5,103,624	-	5,103,624	(9,087,188)
Profit for the financial year available for discretionary division among Members	-	112,140	112,140	-	112,140	5,519,388
Members' discretionary profit distribution for the year	-	(5,519,388)	(5,519,388)	-	(5,519,388)	(216,568)
Other movements	-	-	-	1,078,093	1,078,093	535,433
Amounts due to Members	-	-	-	1,805,113	-	572,032
Amounts due from Members	-	-	-	<u>(360,533)</u>	-	(205,545)
Members interests at 30 September 2014	<u>5,103,624</u>	<u>112,140</u>	<u>5,215,764</u>	<u>1,444,580</u>	<u>6,660,344</u>	<u>5,885,875</u>

12 RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Operating profit	112,387	5,519,850
(Increase)/decrease in stocks	(14,379,568)	7,179,074
(Increase)/decrease in debtors	(314,055)	975,844
Increase in creditors	<u>9,697,278</u>	<u>1,990,543</u>
Net cash (outflow)/inflow from operating activities	<u>(4,883,958)</u>	<u>15,665,311</u>

13 ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS

	1 Oct 2013 £	Cash flow £	30 Sept 2014 £
Cash at bank and in hand	6,432,893	(5,299,969)	1,132,924
Members' loans due after more than one year	<u>-</u>	<u>(5,103,624)</u>	<u>(5,103,624)</u>
	<u>6,432,893</u>	<u>(10,403,593)</u>	<u>(3,970,700)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET (DEBT)/FUNDS

	2014 £	2013 £
(Decrease)/increase in cash	(5,299,969)	6,361,093
(Increase)/decrease in debt	<u>(5,103,624)</u>	<u>9,087,188</u>
Movement in net (debt)/cash	(10,403,593)	15,448,281
Opening net cash/(debt)	<u>6,432,893</u>	<u>(9,015,388)</u>
Closing net (debt)/cash	<u>(3,970,700)</u>	<u>6,432,893</u>

Analysis of Net (debt)/funds includes Members' Loans classified as Equity in these Financial Statements.

14 ANALYSIS BY ACTIVITY

	Turnover 2014 £	Turnover 2013 £	Operating Profit 2014 £	Operating Profit 2013 £
Speculative Housing	1,000	25,213,250	1,000	5,373,942
Design & Build Contracting	<u>3,790,569</u>	<u>3,087,696</u>	<u>111,387</u>	<u>145,908</u>
	<u>3,791,569</u>	<u>28,300,946</u>	<u>112,387</u>	<u>5,519,850</u>

All of the Partnership's turnover arises in the United Kingdom.

The Partnership accounts for interest centrally and considers that any segmental apportionment of interest would not be meaningful.

The net assets of Design and Build Contracting are immaterial compared to the Partnership's net assets and as such have not been separately disclosed.

15 RELATED PARTY TRANSACTIONS

The Partnership is a joint venture whose Designated Members are Countryside Properties (UK) Limited and L&Q New Homes Limited. The relevant percentage of each Members' interest is 50% respectively. Control is exercised pursuant to a Limited Liability Partnership Agreement dated 25 March 2011.

Countryside Properties (Joint Ventures) Limited provides project management, administration and sales and marketing services to the Partnership under the Project Management, Administration & Accounting, Sales and Marketing and Regeneration Agreement dated 25 March 2011.

Countryside Properties (In Partnership) Limited provides Design and Build construction services for Phases 1 and 2 of the development under contracts dated 25 March 2011 and 10 October 2013 respectively.

Both Countryside Properties (Joint Ventures) Limited and Countryside Properties (In Partnership) Limited are wholly owned subsidiaries of Countryside Properties (UK) Limited and are considered to be related parties.

The Partnership has had the following transactions with related parties during the year:

Countryside Properties (UK) Limited and associates:

	2014 £	2013 £
Transfer of interest in work in progress	1,601,991	-
Legal, sales and marketing services	262,339	294,177
Project management fees	201,594	187,963
Accounting and administration services	70,000	70,000
Site supervision fees	5,900	-
Design and Build contracting	<u>6,555,351</u>	<u>9,243,081</u>
	<u>8,697,175</u>	<u>9,795,221</u>

L&Q New Homes Limited and associates:

	2014 £	2013 £
Regeneration and marketing services	314,453	278,189
Design and Build contracting for affordable housing	<u>3,790,569</u>	<u>3,087,696</u>
	<u>4,105,022</u>	<u>3,365,885</u>

As at the balance sheet date, the following balances were owed by/to the Partnership to related parties in addition to the Members' loans disclosed in note 9.

Amounts due to Countryside Properties (UK) Limited and associates:

	2014 £	2013 £
Legal services	-	3,510
Design and Build contracting	1,368,983	568,522
Transfer of interest in work in progress	418,627	-
Site supervision fees	7,080	-
Sales negotiator fees	<u>10,423</u>	<u>-</u>
	<u>1,805,113</u>	<u>572,032</u>

Amounts due from L&Q New Homes Limited and associates:

	2014 £	2013 £
Design and Build contracting for affordable housing	<u>360,533</u>	<u>205,545</u>

16 POST BALANCE SHEET EVENT

In accordance with the terms of the Partnership Agreement, an interim distribution of £112,140 was proposed and paid to the Members in the Partnership ratios on 28 November 2014.

17 ULTIMATE PARENT UNDERTAKINGS AND CONTROLLING ENTITIES

The Partnership is a joint venture between Countryside Properties (UK) Limited and L&Q New Homes Limited.

The ultimate parent company of Countryside Properties (UK) Limited in the United Kingdom is Copthorn Holdings Limited. The smallest group into which the Partnership is consolidated is Countryside Properties Plc Group. All companies are incorporated in the United Kingdom. Financial Statements for the companies which comprise the Copthorn Holdings Limited Group are available from the Company Secretary, Countryside House, The Drive, Brentwood, Essex, CM13 3AT.

On 16 April 2013 the entire share capital of Copthorn Holdings Limited was acquired by OCM Luxembourg Coppice Holdco Sarl and existing Management. The ultimate parent company of OCM Luxembourg Coppice Holdco Sarl and the largest group into which the Company is consolidated is OCM Luxembourg Coppice Topco Sarl. All entities are incorporated in Luxembourg.

OCM Luxembourg Coppice Topco Sarl is owned by certain investment funds managed and advised by Oaktree Capital Management L.P. a global investment manager headquartered in Los Angeles, USA. By virtue of its ownership of Oaktree Capital Management L.P., the ultimate parent and controlling entity is considered to be Oaktree Capital Group LLC, an entity organised in the USA and listed on the New York Stock Exchange.

The ultimate parent undertaking and controlling entity of L&Q New Homes Limited is considered to be London & Quadrant Housing Trust. The smallest and the largest group into which the Partnership's results are consolidated is considered to be London & Quadrant Housing Trust. All entities are registered in the United Kingdom and Financial Statements for all entities can be obtained from London & Quadrant, One Kings Hall Mews, Lewisham, London SE13 5JQ.