

**Registered number: OC335231**

**East Kent Opportunities LLP**

**Annual report and financial statements**

**For the year ended 31 March 2013**

# **East Kent Opportunities LLP**

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## **East Kent Opportunities LLP**

### **Information**

#### **Designated Members**

Kent County Council  
Thanet District Council

#### **LLP registered number**

OC335231

#### **Registered office**

Sessions House Room S.3.08, County Hall, Maidstone, Kent, ME14 1XG

#### **Independent auditors**

Reeves & Co LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

## **East Kent Opportunities LLP**

### **Members' report**

#### **For the year ended 31 March 2013**

The members present their annual report together with the audited financial statements of East Kent Opportunities LLP (the LLP) for the ended 31 March 2013.

### **Principal activities**

The principal object of the LLP is to provide, acquire and develop Manston, KCC Eurokent and TDC Eurokent and any other properties in Kent the members believe appropriate investments.

### **Designated Members**

Kent County Council and Thanet District Council were designated members of the LLP throughout the period.

### **Members' capital and interests**

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Details of changes in members' capital in the ended 31 March 2013 are set out in the financial statements.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

### **Members' responsibilities statement**

The members is responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law, as applied to LLPs, requires the members to prepare financial statements for each financial year. Under that law the members has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, as applied to LLPs, 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members is responsible for keeping adequate 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**East Kent Opportunities LLP**

**Members' report (continued)  
For the year ended 31 March 2013**

**Auditor**

The auditors, Reeves & Co LLP, have indicated their willingness to continue in office. The Designated members will propose a motion re-appointing the auditors at a meeting of the members.

This report was approved by the members on 20 December 2013 and signed on their behalf by:

**Kent County Council**

Designated member

## **East Kent Opportunities LLP**

### **Independent auditors' report to the members of East Kent Opportunities LLP**

We have audited the financial statements of East Kent Opportunities LLP for the year ended 31 March 2013, set out on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the 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 LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of 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 LLP's members those matters we are required to state to them in an Auditors' 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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditors**

As explained more fully in the Members' responsibilities statement, the members is 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 Ethical Standards for Auditors.

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

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 LLP'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. In addition, we read all the financial and non-financial information in the Members' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2013 and of its loss for the year 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.

## **East Kent Opportunities LLP**

### **Independent auditors' report to the members of East Kent Opportunities LLP**

#### **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.

Nigel Fright FCCA (Senior statutory auditor)

for and on behalf of

**Reeves & Co LLP**

Statutory Auditor  
Chartered Accountants

Canterbury

20 December 2013

## East Kent Opportunities LLP

### Profit and loss account For the year ended 31 March 2013

	Note	2013 £	2012 £
<b>Turnover</b>	1	<b>96,754</b>	85,257
Administrative expenses		<b>(301,395)</b>	(479,513)
		<hr/>	<hr/>
<b>Operating loss</b>	2	<b>(204,641)</b>	(394,256)
Interest receivable and similar income		<b>132</b>	101
Interest payable and similar charges		<b>(32)</b>	(6,835)
		<hr/>	<hr/>
<b>Loss for the financial year before members' remuneration and profit shares available for discretionary division among members</b>		<b>(204,541)</b>	(400,990)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 8 to 13 form part of these financial statements.



**East Kent Opportunities LLP**  
Registered number: OC335231

**Balance sheet**  
**As at 31 March 2013**

	Note	£	2013 £	£	2012 £
<b>Fixed assets</b>					
Tangible assets	3		<b>9,801,378</b>		10,165,489
<b>Current assets</b>					
Debtors	4	<b>5,821,658</b>		5,716,144	
Cash at bank		<b>503,286</b>		144,076	
			<u><b>6,324,944</b></u>	<u>5,860,220</u>	
<b>Creditors:</b> amounts falling due within one year	5	<b>(768,700)</b>		(816,850)	
<b>Net current assets</b>			<u><b>5,556,244</b></u>		<u>5,043,370</u>
<b>Total assets less current liabilities</b>			<u><b>15,357,622</b></u>		<u>15,208,859</u>
<b>Creditors:</b> amounts falling due after more than one year	6		<u><b>(5,396,622)</b></u>		<u>(5,247,859)</u>
<b>Net assets attributable to members</b>			<u><u><b>9,961,000</b></u></u>		<u><u>9,961,000</u></u>
<b>Represented by:</b>					
<b>Equity</b>					
Members' other interests - Other reserves classified as equity under FRS 25			<u><b>9,961,000</b></u>		<u>9,961,000</u>
			<u><u><b>9,961,000</b></u></u>		<u><u>9,961,000</u></u>
<b>Total members' interests</b>					
Amounts due from members (included in debtors)			<u><b>(5,821,658)</b></u>		<u>(5,617,117)</u>
Members' other interests			<u><b>9,961,000</b></u>		<u>9,961,000</u>
	7		<u><u><b>4,139,342</b></u></u>		<u><u>4,343,883</u></u>

The financial statements have been prepared in accordance with the special provisions relating to LLPs subject to the small LLPs regime within Part 15 of the Companies Act 2006 as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 20 December 2013.

**Kent County Council**  
Designated member

**Thanet District Council**  
Designated member

The notes on pages 8 to 13 form part of these financial statements.

## **East Kent Opportunities LLP**

### **Notes to the financial statements For the year ended 31 March 2013**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

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".

##### **1.2 Going concern**

The LLP has £503,286 included in cash at the bank. The LLP meets its day to day working capital requirements through these reserves, as well as retaining deferred grants to meet future project expenses. In addition to this the LLP has received significant funding from its members, Thanet District Council and Kent County Council. As a consequence, the members believe that the LLP is well placed to manage its business risks successfully.

After making enquiries, the members have a reasonable expectation that the LLP has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

##### **1.3 Turnover**

Turnover comprises grants received which are recognised in the profit and loss account in the period in which the expenditure towards which they relate is incurred.

##### **1.4 Tangible fixed assets and depreciation**

Land is recorded at its open market value at the date of the last valuation carried out by professional valuers.

## East Kent Opportunities LLP

### Notes to the financial statements For the year ended 31 March 2013

#### 1. Accounting policies (continued)

##### 1.5 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 the FRSSSE (IAS 32) Financial Instruments: Disclosure and Presentation and UITF abstract 39 Members' shares in co-operative entities and similar instruments. A members' 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 with '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

The operating loss is stated after charging:

	2013 £	2012 £
Auditors' remuneration	<u>4,400</u>	<u>4,300</u>

## East Kent Opportunities LLP

### Notes to the financial statements For the year ended 31 March 2013

#### 3. Tangible fixed assets

	Freehold land £
<b>Cost</b>	
At 1 April 2012	10,165,489
Disposals	(364,111)
	<hr/>
At 31 March 2013	9,801,378
	<hr/>
<b>Depreciation</b>	
At 1 April 2012 and 31 March 2013	-
	<hr/>
<b>Net book value</b>	
At 31 March 2013	9,801,378
	<hr/> <hr/>
At 31 March 2012	10,165,489
	<hr/> <hr/>

The historical cost is based on an independent professional valuation of the land which was carried out in September 2008 by Savills (L&P) Limited, Chartered Surveyors.

#### 4. Debtors

	2013 £	2012 £
Other debtors	-	99,027
Amounts due from members	5,821,658	5,617,117
	<hr/>	<hr/>
	5,821,658	5,716,144
	<hr/> <hr/>	<hr/> <hr/>

## East Kent Opportunities LLP

### Notes to the financial statements For the year ended 31 March 2013

#### 5. Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	54,833	33,157
Amounts owed to members	619,297	619,297
Social security and other taxes	50,680	17,085
Other creditors	43,890	147,311
	<u>768,700</u>	<u>816,850</u>

#### 6. Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Other loans	<u>5,396,622</u>	<u>5,247,859</u>

Included within other loans is £5,396,622 (2012: £5,247,859) due to Kent County Council for reimbursement of costs associated with a building project.

## East Kent Opportunities LLP

### Notes to the financial statements For the year ended 31 March 2013

#### 7. Reconciliation of members' interests

	Members' capital (classified as equity) £	Other reserves £	Total members' other interests £	Loans and debts due to members less any amounts due from members in debtors £	Total £
Members' interests: balance at 1 April 2011	9,961,000	-	9,961,000	(5,216,127)	4,744,873
Loss for the year available for discretionary division among members	-	(400,990)	(400,990)	-	(400,990)
Members' interests after loss for the year	9,961,000	(400,990)	9,560,010	(5,216,127)	4,343,883
Allocated profit for period	-	400,990	400,990	(400,990)	-
Members' interests: balance at 1 April 2012	9,961,000	-	9,961,000	(5,617,117)	4,343,883
Loss for the year available for discretionary division among members	-	(204,541)	(204,541)	-	(204,541)
Members' interests after loss for the year	9,961,000	(204,541)	9,756,459	(5,617,117)	4,139,342
Allocated profit for period	-	204,541	204,541	(204,541)	-
Members' interests at 31 March 2013	9,961,000	-	9,961,000	(5,821,658)	4,139,342

#### 8. Contingent liabilities

Under the terms of the agreement with KCC, there exists a provision for claims under the Land Compensation Act. This provision is estimated at £160,000 (2012: £200,000). The Members are of the opinion that there may be possible future obligations arising from past events but that the occurrence of these obligations will only be confirmed by future events outside of the control of the Members. Thus the provision is treated as a contingent liability.

## **East Kent Opportunities LLP**

### **Notes to the financial statements For the year ended 31 March 2013**

#### **9. Related party transactions**

In the opinion of the members there is no controlling party as defined by Financial Reporting Standard for Smaller Entities.

Included in trade creditors at 31 March 2013 is £12,153 (2012: £26,416) due to Kent County Council for expenses paid for on behalf of the limited liability partnership.

Also included in creditors due less than one year is an amount of £619,297 (2012: £619,297) due to Kent County Council and Thanet District Council in respect of short term financing made available to East Kent Opportunities LLP.

## East Kent Opportunities LLP

### Detailed trading and profit and loss account For the year ended 31 March 2013

	Page	2013 £	2012 £
<b>Turnover</b>	15	<b>96,754</b>	85,257
<b>Less: Overheads</b>			
Administration expenses	15	<b>(301,395)</b>	(479,513)
		<hr/>	<hr/>
<b>Operating loss</b>		<b>(204,641)</b>	(394,256)
Interest receivable	15	<b>132</b>	101
Interest payable	15	<b>(32)</b>	(6,835)
		<hr/>	<hr/>
<b>Loss for the year available for discretionary division among members</b>		<b>(204,541)</b>	(400,990)
		<hr/> <hr/>	<hr/> <hr/>



## East Kent Opportunities LLP

### Schedule to the detailed accounts For the year ended 31 March 2013

	2013 £	2012 £
<b>Turnover</b>		
Grant income	<u>96,754</u>	<u>85,257</u>
	2013 £	2012 £
<b>Administration expenses</b>		
Management charges	39,977	28,227
Computer costs	-	95
Advertising and promotion	130	3,900
Legal and professional	44,460	183,395
Auditors' remuneration	4,400	4,500
Accountancy fees	1,500	1,951
Bank charges	79	148
Sundry expenses	11,118	767
Repairs and maintenance	12,788	7,950
Profit/loss on sale of tangible assets	(60,889)	-
Spine road costs	148,764	163,323
Thanet project	99,068	85,257
	<u>301,395</u>	<u>479,513</u>
	2013 £	2012 £
<b>Interest receivable</b>		
Bank interest receivable	<u>132</u>	<u>101</u>
	2013 £	2012 £
<b>Interest payable</b>		
Other loan interest payable	<u>32</u>	<u>6,835</u>