

Registered number: OC335231

East Kent Opportunities LLP

Annual report and financial statements

For the year ended 31 March 2014



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 2014

The members present their annual report together with the audited financial statements of East Kent Opportunities LLP (the LLP) for the ended 31 March 2014.

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 2014 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.

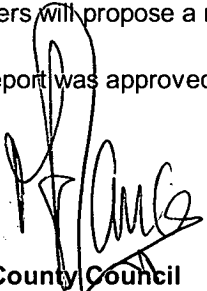
East Kent Opportunities LLP

**Members' report (continued)
For the year ended 31 March 2014**

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 8/12/14 and signed on their behalf by:



Kent County Council
Designated member



Thanet District Council
Designated member

East Kent Opportunities LLP

**Profit and loss account
For the year ended 31 March 2014**

	Note	2014 £	2013 £
Turnover	1	26,265	96,754
Administrative expenses		(365,758)	(301,395)
Operating loss	2	(339,493)	(204,641)
Interest receivable and similar income		358	132
Interest payable and similar charges		(26)	(32)
Loss for the financial year before members' remuneration and profit shares available for discretionary division among members		(339,161)	(204,541)

The notes on pages 8 to 12 form part of these financial statements.

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 2014, set out on pages 6 to 12. 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 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.

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 2014 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

10 December 2014

East Kent Opportunities LLP
Registered number: OC335231

Balance sheet
As at 31 March 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	3		9,801,378		9,801,378
Current assets					
Debtors	4	6,181,606		5,821,658	
Cash at bank		261,711		503,286	
		<u>6,443,317</u>		<u>6,324,944</u>	
Creditors: amounts falling due within one year	5	<u>(733,451)</u>		<u>(768,700)</u>	
Net current assets			<u>5,709,866</u>		<u>5,556,244</u>
Total assets less current liabilities			<u>15,511,244</u>		<u>15,357,622</u>
Creditors: amounts falling due after more than one year	6		<u>(5,550,244)</u>		<u>(5,396,622)</u>
Net assets attributable to members			<u><u>9,961,000</u></u>		<u><u>9,961,000</u></u>
Represented by:					
Members' other interests					
Members' capital classified as equity			<u>9,961,000</u>		<u>9,961,000</u>
			<u><u>9,961,000</u></u>		<u><u>9,961,000</u></u>
Total members' interests					
Amounts due from members (included in debtors)			<u>(6,160,819)</u>		<u>(5,821,658)</u>
Members' other interests			<u>9,961,000</u>		<u>9,961,000</u>
	7		<u><u>3,800,181</u></u>		<u><u>4,139,342</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small LLPs 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 3 December 2014


Kent County Council
Designated member


Thanet District Council
Designated member

The notes on pages 8 to 12 form part of these financial statements.

East Kent Opportunities LLP

Notes to the financial statements For the year ended 31 March 2014

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 £261,771 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 2014

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 FRSSE (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:

	2014	2013
	£	£
Auditors' remuneration	4,500	4,400

East Kent Opportunities LLP

**Notes to the financial statements
For the year ended 31 March 2014**

3. Tangible fixed assets

	Freehold land £
Cost	
At 1 April 2013 and 31 March 2014	<u>9,801,378</u>
Depreciation	
At 1 April 2013 and 31 March 2014	<u>-</u>
Net book value	
At 31 March 2014	<u><u>9,801,378</u></u>
At 31 March 2013	<u><u>9,801,378</u></u>

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

	2014 £	2013 £
Other debtors	20,787	-
Amounts due from members	6,160,819	5,821,658
	<u>6,181,606</u>	<u>5,821,658</u>

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

	2014 £	2013 £
Trade creditors	96,430	54,833
Amounts owed to members	619,297	619,297
Other taxation and social security	-	50,680
Other creditors	17,724	43,890
	<u>733,451</u>	<u>768,700</u>

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

	2014 £	2013 £
Other loans	<u>5,550,244</u>	<u>5,396,622</u>

Included within other loans is £5,550,244 (2013: £5,396,622) 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 2014

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 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: balance at 1 April 2013	9,961,000	-	9,961,000	(5,821,658)	4,139,342
Loss for the year available for discretionary division among members	-	(339,161)	(339,161)	-	(339,161)
Members' interests after loss for the year	9,961,000	(339,161)	9,621,839	(5,821,658)	3,800,181
Allocated profit for period	-	339,161	339,161	(339,161)	-
Members' interests at 31 March 2014	9,961,000	-	9,961,000	(6,160,819)	3,800,181

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 £147,000 (2013: £160,000). 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 2014

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 2014 is £49,278 (2013: £12,153) 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 (2013: £619,297) due to Kent County Council and Thanet District Council in respect of short term financing made available to East Kent Opportunities LLP.