

**Registered number: OC335231**

**East Kent Opportunities LLP**

**Financial statements**

**For the year ended 31 March 2022**

## **East Kent Opportunities LLP**

### **Information**

#### **Designated Members**

Kent County Council  
Thanet District Council

#### **LLP registered number**

OC335231

#### **Registered office**

Room 3.17, Session House, County Road, Maidstone, Kent, ME14 1XG

#### **Independent auditors**

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

## **East Kent Opportunities LLP**

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## **East Kent Opportunities LLP**

### **Members' report For the year ended 31 March 2022**

The members present their annual report together with the audited financial statements of East Kent Opportunities LLP (the LLP) for the ended 31 March 2022.

#### **Principal activities**

The principal object of the LLP is to develop Manston 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 2022 are set out in the financial statements.

#### **Members' responsibilities statement**

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), 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). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 are 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 are 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 to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They 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.

## **East Kent Opportunities LLP**

### **Members' report (continued) For the year ended 31 March 2022**

#### **Disclosure of information to auditors**

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

#### **Auditors**

The auditors, Kreston Reeves 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

and signed on their behalf by:



**Chris Blundell, Acting Deputy Chief Executive**

**Kent County Council**  
Designated member

**Thanet District Council**  
Designated member

## East Kent Opportunities LLP

### Statement of comprehensive income For the year ended 31 March 2022

	Note	2022 £	2021 £
Administrative expenses		<u>(89,527)</u>	<u>328,709</u>
<b>Operating (loss)/profit</b>		<b>(89,527)</b>	<b>328,709</b>
Interest receivable and similar income		<u>72</u>	<u>852</u>
<b>(Loss)/profit before tax</b>		<b>(89,455)</b>	<b>329,561</b>
<b>(Loss)/profit for the year before members' remuneration and profit shares available for discretionary division among members</b>		<b>(89,455)</b>	<b>329,561</b>
Unrealised surplus on revaluation of tangible fixed assets		-	496,619
<b>Total comprehensive income for the year</b>		<b>(89,455)</b>	<b>826,180</b>

The notes on pages 10 to 14 form part of these financial statements.

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

**Balance sheet**  
**As at 31 March 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	5	<b>1,926,675</b>	2,010,000
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	<b>6,669,003</b>	6,563,957
Cash at bank and in hand	7	<b>859,141</b>	864,829
		<u><b>7,528,144</b></u>	<u>7,428,786</u>
Creditors: Amounts Falling Due Within One Year	8	<b>(8,774)</b>	(8,332)
<b>Net current assets</b>		<b>7,519,370</b>	7,420,454
<b>Net assets</b>		<u><b>9,446,045</b></u>	<u>9,430,454</u>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
<b>Members' other interests</b>			
Members' capital classified as equity		<b>9,961,000</b>	9,961,000
Other Reserves		<b>(514,955)</b>	(530,546)
		<u><b>9,446,045</b></u>	<u>9,430,454</u>
		<u><b>9,446,045</b></u>	<u>9,430,454</u>
<b>Total members' interests</b>			
Amounts due from members (included in debtors)	6	<b>(6,669,003)</b>	(6,563,957)
Members' other interests		<b>9,446,045</b>	9,430,454
		<u><b>2,777,042</b></u>	<u>2,866,497</u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

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



**Kent County Council**  
Designated member

**Thanet District Council**  
Designated member

The notes on pages 10 to 14 form part of these financial statements.

## East Kent Opportunities LLP

### Statement of changes in equity For the year ended 31 March 2022

	Members capital (classified as equity) £	Other reserves £	Total equity £
<b>At 1 April 2020</b>	<b>9,961,000</b>	<b>(1,204,650)</b>	<b>8,756,350</b>
<b>Comprehensive income for the year</b>			
Profit for year for discretionary division among members	-	329,561	329,561
Unrealised surplus on revaluation of tangible fixed assets	-	496,619	496,619
Allocated profit	-	(329,562)	(329,562)
Transfer to/from profit and loss account	-	177,486	177,486
<b>At 1 April 2021</b>	<b>9,961,000</b>	<b>(530,546)</b>	<b>9,430,454</b>
<b>Comprehensive income for the year</b>			
Loss for year for discretionary division among members	-	(89,455)	(89,455)
Allocated profit	-	89,455	89,455
<b>Contributions by and distributions to members</b>			
Transfer to/from profit and loss account	-	15,591	15,591
<b>At 31 March 2022</b>	<b>9,961,000</b>	<b>(514,955)</b>	<b>9,446,045</b>

The notes on pages 10 to 14 form part of these financial statements.



## **East Kent Opportunities LLP**

### **Notes to the financial statements For the year ended 31 March 2022**

#### **1. General information**

East Kent Opportunities LLP is a limited liability partnership incorporated in England. The address of the registered office is Room 3.17, Session House, County Road, Maidstone, Kent, ME14 1XG. The principal activities of the LLP can be found within the Members' report.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies.

The company's financial statements are presented to the nearest Pound.

The following principal accounting policies at 2.2 to 2.8 have been applied.

##### **2.2 Going concern**

The LLP has £859,141 included in cash at the bank. The LLP meets its day to day working capital requirements through these reserves. 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.

##### **2.3 Tangible fixed assets**

Land is recorded at fair value at the date of the revaluation less any accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers and updated by the members at the year end.

Revaluation gains and losses are recognised in the Statement of comprehensive income.

Land is not depreciated.

At each reporting date the LLP assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

##### **2.4 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**Notes to the financial statements  
For the year ended 31 March 2022**

**2. Accounting policies (continued)**

**2.5 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.6 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.7 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.8 Financial instruments**

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the balance sheet date.

**Notes to the financial statements  
For the year ended 31 March 2022**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgements have had the most significant impact on amounts recognised in the financial statements:

**Tangible fixed assets**

The LLP has recognised tangible fixed assets with a carrying value of £1,926,675 at the reporting date (see note 5). The LLP has adopted the revaluation model for the measurement of land.

In order to determine the fair value of land the LLP has engaged independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. Valuations are obtained with sufficient regularity to ensure that the carrying value of revalued assets reflects current market conditions and then updated by the members at the year end.

Where there are indicators that the carrying value of tangible assets may be impaired the LLP undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the LLP's forecasts for the foreseeable future which do not include any restructuring activities that the LLP is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

**4. Employees**

The entity has no employees other than the members, who did not receive any remuneration (2021 - £NIL).

The entity has no employees.

## East Kent Opportunities LLP

### Notes to the financial statements For the year ended 31 March 2022

#### 5. Tangible fixed assets

	Freehold land £
<b>Cost or valuation</b>	
At 1 April 2021	2,010,000
Disposals	(83,325)
At 31 March 2022	<u>1,926,675</u>
<b>Net book value</b>	
At 31 March 2022	<u><u>1,926,675</u></u>
At 31 March 2021	<u><u>2,010,000</u></u>

The 2021 valuations were made based on valuations undertaken by Savills (UK) Limited Chartered Surveyors as at 25 February 2021.

#### 6. Debtors

	2022 £	2021 £
Amounts due from members	<u>6,669,003</u>	<u>6,563,957</u>
	<u><u>6,669,003</u></u>	<u><u>6,563,957</u></u>

#### 7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>859,141</u>	<u>864,829</u>
	<u><u>859,141</u></u>	<u><u>864,829</u></u>

## East Kent Opportunities LLP

### Notes to the financial statements For the year ended 31 March 2022

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

	2022 £	2021 £
Trade creditors	-	4,224
Other taxation and social security	1,624	358
Accruals and deferred income	7,150	3,750
	<u>8,774</u>	<u>8,332</u>

#### 9. Reconciliation of members' interests

	EQUITY Members' other interests		DEBT Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity) £	Other reserves £	Total £	Other amounts £	Total £
Profit for the year available for discretionary division among members	-	329,561	329,561	-	329,561
<b>Members' interests after profit for the year</b>	<b>9,961,000</b>	<b>(875,089)</b>	<b>9,085,911</b>	<b>(5,516,033)</b>	<b>(5,516,033)</b>
Other division of profits	-	(329,562)	(329,562)	152,076	152,076
Movement in reserves	-	674,105	674,105	-	-
Drawings	-	-	-	(1,200,000)	(1,200,000)
Amounts due from members				<u>(6,563,957)</u>	<u>(6,563,957)</u>
<b>Balance at 31 March 2021</b>	<b>9,961,000</b>	<b>(530,546)</b>	<b>9,430,454</b>	<b>(6,563,957)</b>	<b>(6,563,957)</b>
Loss for the year available for discretionary division among members	-	(89,455)	(89,455)	-	-
<b>Members' interests after profit for the year</b>	<b>9,961,000</b>	<b>(620,001)</b>	<b>9,340,999</b>	<b>(6,563,957)</b>	<b>(6,563,957)</b>
Other division of losses	-	89,455	89,455	(105,046)	(105,046)
Movement in reserves	-	15,591	15,591	-	-
Amounts due from members				<u>(6,669,003)</u>	<u>(6,669,003)</u>
<b>Balance at 31 March 2022</b>	<b>9,961,000</b>	<b>(514,955)</b>	<b>9,446,045</b>	<b>(6,669,003)</b>	<b>(6,669,003)</b>

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.