

**MEDESHAM HOMES LLP**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

# MEDESHAM HOMES LLP

## LIMITED LIABILITY PARTNERSHIP INFORMATION

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<b>Designated members</b>	Peterborough City Council CKH Developments Limited
<b>Limited liability partnership number</b>	OC414818
<b>Registered office</b>	Town Hall Bridge Street Peterborough England PE1 1HF
<b>Auditor</b>	KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH

# MEDESHAM HOMES LLP

## CONTENTS

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	<b>Page</b>
Members' report	1 - 2
Independent auditor's report to the members of Medesham Homes LLP	3 - 4
Income statement	5
Statement of financial position	6
Reconciliation of members' interests	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 17

# MEDESHAM HOMES LLP

## MEMBERS' REPORT

### *FOR THE YEAR ENDED 31 MARCH 2020*

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The members present their report and financial statements for the year ended 31 March 2020.

#### **Principal activities**

The principal activity of the limited liability partnership is that of development of land and construction of "affordable" homes. The current developments are in relation to sites known as Midland Road, Bretton Court, Belle Vue, Crowland Road and London Road.

The LLP has been set up as a joint venture between Peterborough City Council and CKH Developments Limited (the designated members) and Medesham Limited.

#### **Going concern**

The financial statements have been prepared on a going concern basis which the members consider to be appropriate, the reasons for which are detailed in the notes to the accounts at 1.2.

#### **Results for the year and allocation to members**

The profit / (loss) for the period before members' remuneration and allocations was £64,645 (2019: (£77,732)).

#### **Members' drawings, contributions and repayments**

A member's capital requirement is linked to the financing requirement of the limited liability partnership. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so the retiring members are repaid their capital at "par".

#### **Designated members**

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

Peterborough City Council  
CKH Developments Limited

#### **Ordinary members**

Medesham Limited is an ordinary member by virtue of its subscribed capital.

# MEDESHAM HOMES LLP

## MEMBERS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### Statement of members' responsibilities

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. 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and 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 Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

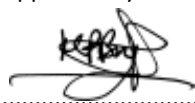
#### Statement of disclosure to auditor

Each member in office at the date of approval of this annual report confirms that:

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

Approved by the members on 17 December 2020 and signed on behalf by:



Peterborough City Council  
Designated Member



CKH Developments Limited  
Designated Member

# MEDESHAM HOMES LLP

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF MEDESHAM HOMES LLP

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#### **Opinion**

We have audited the financial statements of Medesham Homes LLP ("the LLP") for the year ended 31 March 2020 which comprise the income statement, the statement of financial position, the reconciliation of members' interests, the statement of changes in equity, the statement of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### **Conclusions relating to going concern**

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the LLP or to cease its operations, and as they have concluded that the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the LLP will continue in operation.

#### **Other information**

The members are responsible for the other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

# MEDESHAM HOMES LLP

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF MEDESHAM HOMES LLP

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

Under the Companies Act 2006 as applied to limited liability partnerships we are required 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 financial statements in accordance with the small limited liability partnerships' regime.
- We have nothing to report in these respects.

#### **Responsibilities of members**

As explained more fully in their statement set out on pages 1 and 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 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 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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Sarah Brown (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP**

**Chartered Accountants**

**Statutory Auditor**

One Snowhill

Snow Hill Queensway

Birmingham

B4 6GH

26 January 2021

# MEDESHAM HOMES LLP

## INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

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		<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>
Administrative expenses		(102,364)	(78,213)
Other operating income		167,001	29,848
Loss on disposal of investment property		-	(29,876)
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	<b>3</b>	<b>64,637</b>	<b>(78,241)</b>
Investment income	<b>5</b>	<b>8</b>	<b>509</b>
		<hr/>	<hr/>
<b>Profit/(loss) for the financial year before members' remuneration and profit shares</b>		<b>64,645</b>	<b>(77,732)</b>
		<hr/> <hr/>	<hr/> <hr/>
Profit/(loss) for the financial year before members' remuneration and profit shares		64,645	(77,732)
Members' remuneration charged as an expense		-	-
		<hr/>	<hr/>
<b>Profit/(loss) for the financial year available for discretionary division among members</b>		<b>64,645</b>	<b>(77,732)</b>
		<hr/> <hr/>	<hr/> <hr/>

The Income Statement has been prepared on the basis that all operations are continuing operations.

The notes form part of these financial statements.



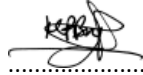
# MEDESHAM HOMES LLP

## STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

		2020	2019
	Notes	£	£
<b>Non current assets</b>			
Investment properties	6	14,340,964	6,143,039
Investments	7	10	10
		<hr/>	<hr/>
		14,340,974	6,143,049
		<hr/>	<hr/>
<b>Current assets</b>			
Trade and other receivables	8	136,420	524,508
Cash and cash equivalents		948,341	1,459,841
		<hr/>	<hr/>
		1,084,761	1,984,349
		<hr/>	<hr/>
<b>Total assets</b>		15,425,735	8,127,398
		<hr/> <hr/>	<hr/> <hr/>
<b>Current liabilities</b>	9		
Trade and other payables		363,433	855,230
Deferred grants	11	83,423	38,685
		<hr/>	<hr/>
		446,856	893,915
		<hr/>	<hr/>
<b>Non-current liabilities</b>	10		-
Deferred grants	11	14,819,171	7,138,420
		<hr/>	<hr/>
		14,819,171	7,138,420
		<hr/>	<hr/>
<b>Total liabilities</b>		15,266,027	8,032,335
		<hr/>	<hr/>
<b>Equity</b>			
Members' capital classified as equity		200,201	200,201
Members other reserves		(40,493)	(105,138)
		<hr/>	<hr/>
<b>Total equity</b>		159,708	95,063
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		15,425,735	8,127,398
		<hr/> <hr/>	<hr/> <hr/>

The financial statements were approved by the members and authorised for issue on 17 December 2020 and are signed on their behalf by:

  
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Peterborough City Council

**Designated member**

**Limited Liability Partnership Registration No. OC414818**

  
.....

CKH Developments Limited

**Designated member**

The notes form part of these financial statements.

# MEDESHAM HOMES LLP

## RECONCILIATION OF MEMBERS' INTERESTS

### FOR THE YEAR ENDED 31 MARCH 2020

#### *Current financial year*

	EQUITY		TOTAL
	Members' other interests		MEMBERS' INTERESTS
	Members' capital (classified as equity)	Other reserves	Total 2020
	£	£	£
Members' interests at 1 April 2019	200,201	(105,138)	95,063
Profit for the financial year available for discretionary division among members	-	64,645	64,645
Members' interests after profit for the year	200,201	(40,493)	159,708
Members' interests at 31 March 2020	200,201	(40,493)	159,708

#### *Prior financial year*

	EQUITY		TOTAL
	Members' other interests		MEMBERS' INTERESTS
	Members' capital (classified as equity)	Other reserves	Total 2019
	£	£	£
Members' interests at 1 April 2018	200,201	(27,406)	172,795
Loss for the financial year available for discretionary division among members	-	(77,732)	(77,732)
Members' interests after loss for the year	200,201	(105,138)	95,063
Members' interests at 31 March 2019	200,201	(105,138)	95,063

The notes form part of these financial statements.

# MEDESHAM HOMES LLP

## STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 MARCH 2020**

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	<b>Members' capital £</b>	<b>Other reserves £</b>	<b>Total £</b>
<b>Balance at 1 April 2018</b>	200,201	(27,406)	172,795
Loss and total comprehensive income for the period	-	(77,732)	(77,732)
<b>Balance at 31 March 2019</b>	<u>200,201</u>	<u>(105,138)</u>	<u>95,063</u>
Loss and total comprehensive income for the year	-	64,645	64,645
<b>Balance at 31 March 2020</b>	<u><u>200,201</u></u>	<u><u>(40,493)</u></u>	<u><u>159,708</u></u>

The notes form part of these financial statements.

# MEDESHAM HOMES LLP

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

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		2020		2019	
	Notes	£	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	13		7,728,878		5,128,312
<b>Investing activities</b>					
Purchase of investment property		(8,286,008)		(4,729,865)	
Proceeds on disposal of investment property		45,622		235,000	
Purchase of investment		-		(10)	
Interest received		8		509	
<b>Net cash used in investing activities</b>			<b>(8,240,378)</b>		<b>(4,494,366)</b>
<b>Net cash used in financing activities</b>			<b>-</b>		<b>-</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>			<b>(511,500)</b>		<b>633,946</b>
Cash and cash equivalents at beginning of year			1,459,841		825,895
<b>Cash and cash equivalents at end of year</b>			<b>948,341</b>		<b>1,459,841</b>

The notes form part of these financial statements.

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

##### Limited liability partnership information

Medesham Homes LLP is a limited liability partnership incorporated in England and Wales. The registered office is Town Hall, Bridge Street, Peterborough, England, PE1 1HF.

The limited liability partnership's principal activities are disclosed in the Members' Report.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union and with those parts of the Companies Act 2006 applicable to limited liability partnerships ("LLPs") reporting under IFRS.

The financial statements have been prepared under the historical cost basis. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The financial statements have been prepared on a going concern basis which the members consider to be appropriate for the following reasons.

The members have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, including the impact of COVID-19, the partnership will have sufficient funds, through additional funding from its members, to meet its liabilities as they fall due for that period.

The members have indicated their intention to continue to make available such funds as are needed by the partnership for the period covered by the forecasts. Consequently, the members are confident that the partnership will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

##### 1.3 Revenue

Revenue represents rental income from operating leases which is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### 1.4 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement.

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. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

##### 1.5 Investment properties

Investment property is property held to earn rentals and/or for capital appreciation. Investment property comprises the purchase cost of land and associated costs including planning applications at five sites. Some of the sites remain under construction and the members believe that a fair value is not reliably determinable at the year end and therefore have included property at cost, with no depreciation provided.

Once a site has been made available, they are included at cost and depreciated on a straight line basis over 100 years.

##### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### 1.7 Financial instruments

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

(Continued)

##### ***Other financial assets***

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

##### ***Other financial liabilities***

Financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies (Continued)

##### *Derecognition of financial liabilities*

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

#### 1.8 Equity instruments

Equity instruments issued by the limited liability partnership are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the limited liability partnership.

#### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### 1.10 Government and other grants

Government and other grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received and are treated as deferred income. Government and other grants are released to the profit and loss account over the course of the life of the related asset.

#### 2 Judgements and key sources of estimation uncertainty

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key estimate made by the members is the life of the investment property which is estimated as being 100 years. As investment property is held under the cost model, this estimation dictates the depreciation charge for the year, as well as the release of government grants which are released at a rate to match the depreciation expense.

#### 3 Operating profit/(loss)

	2020	2019
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Other grants	(42,461)	(426)
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	5,000	4,675
Depreciation of investment property	42,461	12,895
Loss on disposal of investment property	-	29,876
Operating lease charges	900	1,020
	<u>          </u>	<u>          </u>



# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 4 Employees

The average number of persons (excluding members) employed by the partnership during the year was nil (2019: nil).

#### 5 Investment income

	2020	2019
	£	£
<b>Interest income</b>		
Interest on bank deposits	8	509
	<u>8</u>	<u>509</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	8	509
	<u>8</u>	<u>509</u>

#### 6 Investment property

	2020
	£
<b>Cost</b>	
At 1 April 2019	6,155,934
Additions	8,286,008
Disposals	(45,622)
	<u>14,396,320</u>
At 31 March 2020	<u>14,396,320</u>
<b>Depreciation and impairment</b>	
At 1 April 2019	12,895
Charge for the year	42,461
	<u>55,356</u>
At 31 March 2020	<u>55,356</u>
<b>Carrying amount</b>	
At 31 March 2020	<u>14,340,964</u>
At 31 March 2019	<u>6,143,039</u>

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 6 Investment property

(Continued)

Investment property comprises the purchase cost of land and associated costs including planning applications at five sites. Three of the sites remain under construction and the members believe that a fair value is not reliably determinable at the year end and therefore have included property at cost, with no depreciation provided.

Two sites are in use and have been included at cost and depreciated as disclosed, being straight line over 100 years. The members believe the fair value of the sites in use to be £9,906,000 based on valuations provided by a FRICS qualified valuer.

#### 7 Fixed asset investments

	2020	2019
	£	£
Unlisted investments	10	10
	<u>10</u>	<u>10</u>

#### Movements in non-current investments

	Investments other than loans £
<b>Cost or valuation</b>	
At 1 April 2019 & 31 March 2020	10
	<u>10</u>
<b>Carrying amount</b>	
At 31 March 2020	10
	<u>10</u>
At 31 March 2019	10
	<u>10</u>

#### 8 Trade and other receivables

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade receivables	15,067	7,619
Other receivables	86,455	509,271
Prepayments	34,898	7,618
	<u>136,420</u>	<u>524,508</u>

All current receivables are stated at transaction value.

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

#### 9 Current liabilities

	Notes	2020 £	2019 £
Trade payables		325,164	431,671
Other grants	11	83,423	38,685
Other payables		10	390,226
Accruals and deferred income		38,259	33,333
		<u>446,856</u>	<u>893,915</u>

All current liabilities are stated at transaction value.

#### 10 Non-current liabilities

	Notes	2020 £	2019 £
Other grants	11	14,819,171	7,138,420

Non current liabilities represent deferred government grants. The total amount will be released to the profit and loss account in line with the depreciation of the related asset.

#### 11 Deferred grants

Deferred income relating to government grants is included in the financial statements as follows:

	2020 £	2019 £
Current liabilities	83,423	38,685
Non-current liabilities	14,819,171	7,138,420
	<u>14,902,594</u>	<u>7,177,105</u>

#### 12 Related party transactions

During the year, the designated member CKH Developments Limited provided services to the LLP totalling £55,333 (2019 - £56,464). At the year end the amount outstanding was £nil (2019 - £7,080) included within trade payables.

The LLP has entered into operating lease arrangement's with Medesham Properties LLP, which the LLP has control over. The lease's are 22 year lease's relating to land and buildings. The total lease receipts recognised in the profit and loss account in the year ended 31 March 2020 is £117,514 (2019: £29,422). The total lease commitments receivable are £4,891,808.

# MEDESHAM HOMES LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2020

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13 Cash generated from operations	2020	2019
	£	£
Profit/(loss) for the year	64,645	(77,732)
Adjustments for:		
Investment income recognised in profit or loss	(8)	(509)
Depreciation of investment property	42,461	12,895
Loss on disposal of investment property	-	29,876
Movements in working capital:		
Decrease in trade and other receivables	388,088	1,375,693
(Decrease)/increase in trade and other payables	(491,797)	588,515
Increase in deferred income	7,725,489	3,199,574
<b>Cash generated from operations</b>	<u>7,728,878</u>	<u>5,128,312</u>