

Penny Lane Investments LLP
Unaudited financial statements
For the period from 1 November 2005 to
5 April 2007

Grant Thornton 

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COMPANIES HOUSE

Company No. OC309676

Penny Lane Investments LLP

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Financial statements for the period from 1 November 2005 to
5 April 2007

Designated members and advisors

Company registration number

OC309676

Registered office

Flat 401
Castlegate
2 Chester Road
MANCHESTER
M15 4QG

Designated members

Mr G Unsworth
Mr I Unsworth
Mr R Unsworth

Bankers

Cooperative Bank Plc
1 Balloon Street
MANCHESTER
M60 4EP

Accountants

Grant Thornton UK LLP
Chartered Accountants
4 Hardman Square
Spinningfields
MANCHESTER
M3 3EB

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Report of the members

The members present their report and the unaudited financial statements of the LLP for the period from 1 November 2005 to 5 April 2007

Principal activities

The principal activity of the LLP during the period was property investment

Results for the period and allocation to members

The profit for the period available for distribution to members was £2,896,650 (2005 £68,999)

Designated members

The following were designated members during the period

Mr G Unsworth
Mr I Unsworth
Mr R Unsworth

Policy with respect to members' drawings and subscription and repayment of members' capital

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 (as applied to limited liability partnerships by regulation 3 of the Limited Liability Partnerships Regulations 2001).

ON BEHALF OF THE BOARD



R Unsworth
Designated member

31 January 2008

Grant Thornton 

Report of the accountants to the members of Penny Lane Investments LLP

In accordance with our terms of engagement, and in order to assist you to fulfil your duties under the Limited Liability Partnerships Regulations 2001, we have compiled the financial statements of the LLP for the period from 1 November 2005 to 5 April 2007 which comprise the principal accounting policies, profit and loss account, balance sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the LLP's Board of Members, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the LLP's Board of Members that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Members, as a body, for our work or for this report

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements

You have acknowledged on the balance sheet your duty to ensure that the LLP has kept proper accounting records and to prepare financial statements that give a true and fair view under the Limited Liability Partnerships Regulations 2001. You consider that the LLP is exempt from the statutory requirement for an audit for the period

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements



GRANT THORNTON UK LLP
CHARTERED ACCOUNTANTS

MANCHESTER
31 January 2008

Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period, exclusive of Value Added Tax

Fixed assets

All fixed assets are initially recorded at cost

Investment properties

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve, unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This is in accordance with the FRSSE which, unlike Schedule 4 to the Companies Act 1985, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

Members' remuneration

Remuneration is paid to certain members under a contract of employment and is included as an expense in the profit and loss account after arriving at "profit for the financial year before members' remuneration and profit shares".

In addition, the LLP agreement provides that fixed amounts, determined for each member each year, be paid to members, irrespective of the profits of the LLP. These amounts are also included within salaried remuneration of the members.

A member's share in the profit or the loss for the year is accounted for as an allocation of profits. Unallocated profits and losses are included within "other reserves".

Retirement benefits of former members

The retirement benefits of former members are determined annually based on a formula directly linked to the profits of the partnership. Provision is made at the date of retirement of the member for the estimated present value of the expected future payments to that member. On initial recognition the estimated current value of the future pension is transferred from members' interests to provisions for liabilities and charges. The unwinding of the discount of the provision to retirement benefits is charged to the profit and loss account and included in interest payable.

The liability is reassessed annually and any changes in the estimates are included within the profit and loss account.

Profit and loss account

		Period from 1 Nov 05 to 5 Apr 07 £	Period from 21 Oct 04 to 31 Oct 05 £
	Note		
Turnover		498,939	297,260
Other operating charges	1	27,992	49,059
Operating profit		470,947	248,201
Exceptional item			
Profit on disposal of fixed assets		2,700,805	—
Interest payable		275,102	179,202
Profit for the period before members' remuneration and profit shares		2,896,650	68,999
Profit for the period available for division among members		2,896,650	68,999

Balance sheet

	Note	5 Apr 07 £	31 Oct 05 £
Fixed assets			
Tangible assets	2	<u>246,277</u>	<u>3,500,000</u>
Current assets			
Debtors	3	114,552	–
Cash at bank		<u>14,171</u>	<u>35,906</u>
		128,723	35,906
Creditors: amounts falling due within one year	4	<u>–</u>	<u>218,240</u>
Net current assets/(liabilities)		<u>128,723</u>	<u>(182,334)</u>
Total assets		<u>375,000</u>	<u>3,317,666</u>
Creditors: amounts falling due after more than one year	5	–	2,873,667
Loans and other debts due to members	7	–	68,999
		<u>375,000</u>	<u>375,000</u>

	Note	5 Apr 07 £	31 Oct 05 £
Members' other interests			
Members' capital	8	<u>375,000</u>	<u>375,000</u>
Total members' interests			
Loans and other debts due to members	7	–	68,999
Members' other interests	8	375,000	375,000
Amounts due from members	3	<u>(94,351)</u>	<u>–</u>
		<u>280,649</u>	<u>443,999</u>

The members are satisfied that the LLP is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 for the period ended 5 April 2007

The members acknowledge their responsibilities for

- (i) ensuring that the LLP keeps proper accounting records which comply with section 221 of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the LLP as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 relating to financial statements, so far as applicable to the LLP

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 as modified by the Limited Liability Partnerships Regulations 2001 relating to small LLPs and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the members on 31 January 2008 and are signed on their behalf by



Mr R Unsworth

Notes to the financial statements

1 Other operating charges

Period from 1 Nov 05 to 5 Apr 07 £	Period from 21 Oct 04 to 31 Oct 05 £
Administrative expenses	
<u>27,992</u>	<u>49,059</u>

2 Tangible fixed assets

	Investment property £
Cost or valuation	
At 1 November 2005	3,500,000
Additions	246,277
Disposals	(3,500,000)
At 5 April 2007	<u>246,277</u>
Depreciation	
At 1 November 2005 and 5 April 2007	<u>—</u>
Net book value	
At 5 April 2007	<u>246,277</u>
At 31 October 2005	<u>3,500,000</u>

3 Debtors

	5 Apr 07 £	31 Oct 05 £
Other debtors	20,201	—
Amounts due from members	94,351	—
	<u>114,552</u>	<u>—</u>

4 Creditors amounts falling due within one year

	5 Apr 07 £	31 Oct 05 £
Bank loans and overdrafts	—	148,000
Other creditors	—	70,240
	<u>—</u>	<u>218,240</u>

5 Creditors amounts falling due after more than one year

	5 Apr 07 £	31 Oct 05 £
Bank loans and overdrafts	—	2,873,667

The bank loan was secured over the investment property

6 Related party transactions

In the opinion of the members there is no controlling party as defined by financial reporting Standard No 8 "Related party disclosures"

7 Loans and other debts due to members

	5 Apr 07 £	31 Oct 05 £
Amounts owed to members in respect of profits	—	68,999

8 Members' interests

	Members' Capital £	Other reserves £	Total £	Loans and other debts due to/(from) members £	Total £
Members' interests at 1 November 2005	375,000	—	375,000	68,999	443,999
Profit for the financial year available for division amongst members	—	2,896,650	2,896,650	—	2,896,650
Members' interests after profit for the year	375,000	2,896,650	3,271,650	68,999	3,340,649
Allocated profits	—	(2,896,650)	(2,896,650)	2,896,650	—
Drawings	—	—	—	(3,060,000)	(3,060,000)
Amounts due to members	375,000	—	375,000	(94,351)	280,649
Members' interests at 5 April 2007	375,000	—	375,000	(94,351)	280,649