

**BIGG REGENERATION (GENERAL PARTNER) LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**(REGISTERED IN SCOTLAND NO.SC433313)**

**PARTNERSHIP  
ACCOUNTS**

WEDNESDAY



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COMPANIES HOUSE

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **Directors**

Stephen Dunlop  
Katie Hughes  
Mark Nevitt  
David Skinner

### **Independent Auditor**

BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

### **Bankers**

Royal Bank of Scotland plc

### **Secretary**

Igloo Regeneration Limited  
35 Dale Street  
Manchester  
M1 2HF

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **CONTENTS**

|                                                | Page  |
|------------------------------------------------|-------|
| Strategic report                               | 3     |
| Report of the Directors                        | 4-5   |
| Statement of comprehensive income              | 6     |
| Statement of financial position                | 7     |
| Statement of changes in equity                 | 8     |
| Statement of cash flows                        | 9     |
| Notes forming part of the financial statements | 10-16 |
| Report of the independent auditor              | 17-18 |

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **STRATEGIC REPORT**

The Directors presents the report and audited financial statements of Bigg Regeneration (General Partner) Limited for the year ended 31 December 2016.

### **Performance**

Total comprehensive income for the year was £nil.

### **Principal risks and uncertainties**

The principal risk and uncertainty of the business surround the performance of the company's investment in Bigg Regeneration Limited Partnership.

### **Key performance indicators**

The directors consider the share of the profits in Bigg Regeneration Limited Partnership to be the key performance indicator.

### **On behalf of the Board**

  
Katie Hughes  
Director

.....

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **Principal activity and review of business**

The principal activity of the Company is to act as general partner in Bigg Regeneration Limited Partnership.

### **Going concern**

The Directors have assessed the Net Assets position of the Company and have concluded that it has sufficient liquid resources to meet its liabilities for the foreseeable future. For this reason, it has adopted the going concern basis for preparing the financial statements.

### **Directors**

The directors of the Company during the year were:

Stephen Dunlop  
Katie Hughes  
Mark Nevitt  
David Skinner

### **Statement of directors' responsibilities**

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

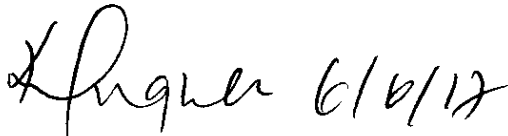
## **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2016 (continued)**

### **Auditors**

The Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have been appointed as auditors of the Company and will remain in office.

### **On behalf of the Board**



Katie Hughes  
Director

.....

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

|       |                                                | 2016<br>£ | 2015<br>£ |
|-------|------------------------------------------------|-----------|-----------|
| Notes |                                                |           |           |
|       | Administrative expenses                        | -         | -         |
|       |                                                | <hr/>     | <hr/>     |
| 3     | <b>Loss before taxation</b>                    | -         | -         |
| 4     | Taxation                                       | -         | -         |
|       |                                                | <hr/>     | <hr/>     |
|       | <b>Total comprehensive income for the year</b> | -         | -         |
|       |                                                | <hr/>     | <hr/>     |

All amounts relate to continuing activities.

All recognised gains and losses in the current year are in the statement of comprehensive income.

*The accompanying notes to the financial statements, on pages 10 to 16, are an integral part of this statement.*

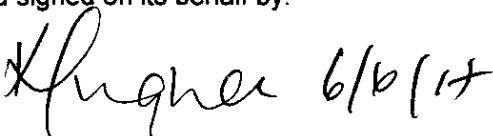
# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

REGISTERED NUMBER: SC433313

|       |                                   | 2016<br>£    | 2015<br>£    |
|-------|-----------------------------------|--------------|--------------|
| Notes |                                   |              |              |
|       | <b>ASSETS</b>                     |              |              |
|       | <b>Non-current assets</b>         |              |              |
| 5     | Investments                       | 10           | 10           |
|       | <b>Current assets</b>             |              |              |
| 6     | Receivables and prepayments       | 100          | 100          |
| 7     | Cash and cash equivalents         | <u>1,523</u> | <u>3,288</u> |
|       | <b>Total assets</b>               | <u>1,633</u> | <u>3,398</u> |
|       | <b>Current liabilities</b>        |              |              |
| 8     | Trade and other payables          | <u>1,539</u> | <u>3,304</u> |
|       | <b>Total liabilities</b>          | <u>1,539</u> | <u>3,304</u> |
|       | <b>Net assets</b>                 | <u>94</u>    | <u>94</u>    |
|       | <b>SHAREHOLDERS' EQUITY</b>       |              |              |
| 10    | Share capital                     | 100          | 100          |
|       | Retained earnings                 | <u>(6)</u>   | <u>(6)</u>   |
|       | <b>Total shareholders' equity</b> | <u>94</u>    | <u>94</u>    |

The financial statements were approved and authorised for issue by the directors on .....  
and signed on its behalf by:

  
Katie Hughes  
Director

*The accompanying notes to the financial statements, on pages 10 to 16, are an integral part of this statement.*

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

|                                   | Share capital     | Retained earnings | Total             |
|-----------------------------------|-------------------|-------------------|-------------------|
|                                   | £                 | £                 | £                 |
| Balance at 1 January 2015         | 100               | (6)               | 94                |
| Comprehensive income for the year | -                 | -                 | -                 |
|                                   | <u>          </u> | <u>          </u> | <u>          </u> |
| Balance at 31 December 2015       | <u>100</u>        | <u>(6)</u>        | <u>94</u>         |

|                                    | Share capital     | Retained earnings | Total             |
|------------------------------------|-------------------|-------------------|-------------------|
|                                    | £                 | £                 | £                 |
| Balance at 1 January 2016          | 100               | (6)               | 94                |
| Comprehensive income for the year  | -                 | -                 | -                 |
|                                    | <u>          </u> | <u>          </u> | <u>          </u> |
| <b>Balance at 31 December 2016</b> | <u>100</u>        | <u>(6)</u>        | <u>94</u>         |

*The accompanying notes to the financial statements, on pages 10 to 16, are an integral part of this statement.*

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

|       |                                                                                           | 2016<br>£             | 2015<br>£    |
|-------|-------------------------------------------------------------------------------------------|-----------------------|--------------|
| Notes |                                                                                           |                       |              |
|       | <b>Cash flows from operating activities</b>                                               |                       |              |
|       | Loss for period                                                                           | -                     | -            |
|       | Adjustments for:                                                                          |                       |              |
|       | Decrease in receivables                                                                   | -                     | 5            |
|       | (Increase)/decrease in trade and other payables                                           | <u>(1,765)</u>        | <u>1,182</u> |
|       | Net cash generated from operations and net<br>(Increase)/decrease in cash and equivalents | <u>(1,765)</u>        | <u>1,187</u> |
|       | Cash and cash equivalents at beginning of year                                            | <b>3,288</b>          | 2,101        |
| 7     | Cash and cash equivalents at the end of year                                              | <u><b>1,528</b></u>   | <u>3,288</u> |
|       | <b>Movement in cash and cash equivalents</b>                                              | <u><b>(1,765)</b></u> | <u>1,187</u> |

*The accompanying notes to the financial statements, on pages 10 to 16, are an integral part of this statement.*

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

#### (a) Accounting convention

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and their interpretations issued or adopted by the International Accounting Standards Board as adopted for use in the European Union ('IFRS') and in compliance with the requirements of the Companies Act 2006.

**Standard amendments to standards and interpretations applicable to this year and which have not impacted on the Company**

| <b>Title</b>                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34 issued in September 2014 Annual Improvements to IFRSs                                                                                  |
| Amendments to IFRS 10, IFRS 12 and IAS 28 regarding the application of the consolidation exception                                                                                     |
| Amendments to IFRS 11 regarding the accounting for acquisitions of an interest in a joint venture                                                                                      |
| Amendments to IAS 1 resulting from the disclosure initiative                                                                                                                           |
| Amendments to IAS 16 and IAS 38 regarding the classification of acceptable methods of depreciation and amortisation                                                                    |
| Amendments to IAS 16 and IAS 41 bringing bearer plants into the scope of IAS 16                                                                                                        |
| Amendments to IAS 27 reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements |

#### **Future accounting developments:**

Certain new standards, amendments to new standards and interpretations have been published that are mandatory to the Company's future accounting periods but have not been adopted early in these financial statements. These are set out below:

**Standards, amendments to standards and interpretations endorsed for use by the European Union and available for adoption, but have no material impact on the Company:**

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

| <i>Title</i>                                                                | <i>Effective Date</i>                                           | <i>Anticipated effect on the Partnership</i> |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------|
| IFRS 2 – Share-based Payment                                                | 1 January 2018                                                  | None                                         |
| IFRS 4 – Insurance Contracts                                                | 1 January 2018                                                  | None                                         |
| IFRS 9 – Financial Instruments                                              | 1 January 2018                                                  | None                                         |
| IFRS 15 – Revenue from Contracts with Customers                             | 1 January 2018                                                  | None                                         |
| IFRS 16 - Leases                                                            | 1 January 2019                                                  | None                                         |
| IAS 7 – Statement of Cash Flows                                             | 1 January 2017                                                  | None                                         |
| IFRS 12, IFRS 1 and IFRS 28 – Annual improvement to IFRSs (2014-2016 Cycle) | 1 January 2017 (IFRS 12)<br>1 January 2018 (IFRS 1 and IFRS 28) | None                                         |
| IAS 40 – Investment Property                                                | 1 January 2018                                                  | None                                         |

The effects of IFRS 15 Revenues from Contracts with Customers and IFRS 9 Financial Instruments are still being assessed, as these new standards may have a significant effect on the future financial statements.

(b) *Revenue*

Revenue is derived from the continuing principal activities of the Company and is stated net of VAT. Profit share in Bigg Regeneration Limited Partnership is recognised as income in the period to which it relates.

(c) *Administrative expenses*

All reasonable costs incurred in relation to the administration of the Company are charged to the statement of comprehensive income on an accruals basis.

(d) *Cash and cash equivalents*

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand with an original maturity of three months or less. For the purposes of the cash flow statements, cash and cash equivalents comprise cash as defined above.

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

(e) *Other receivables*

Assets, other than those specifically accounted for under a separate policy, are stated at their consideration receivable less impairment losses. The carrying value of such assets are considered approximate to their fair value. All assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based on expected discounted future cash flows. Any change in the level of impairment is recognised directly in the statement of comprehensive income. An impairment loss is reversed at subsequent financial reporting dates to the extent that the asset's carrying amount does not exceed its carrying value, had an impairment been recognised.

(f) *Other payables*

Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which the directors consider to be payable in respect of services received up to the balance sheet date. The carrying value of other payables is considered to be approximate to their fair value.

(g) *Tax*

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits, and is accounted for using the balance sheet liability method.

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

### **2 Financial risk management**

The specific financial risks faced by the Company are:

#### *Concentration risk*

The company is exposed to risk based on its investment in Bigg Regeneration Limited Partnership.

#### *Credit Risk*

The Company is subject to credit risk on its receivables and cash.

The directors do not believe that there is significant credit risk as amounts are due from Bigg Regeneration Limited Partnership for which the ability to meet obligations is closely monitored. The Company's maximum exposure to credit risk is the value of the receivables balance as disclosed in note 6 and its cash balance. Throughout the year, the Company's cash and deposits were held in short-term bank deposits with a minimum of a single A rating.

#### *Liquidity risk*

The current liabilities are repayable on demand for the consideration shown in note 8.

#### *Market risk*

The valuation of the Company's 0.1% investment in Bigg Regeneration Limited Partnership is largely dependent on property market conditions. A 10% increase or decrease in the fair value of investment property owned by Bigg Regeneration Limited Partnership would have the impact of increasing or decreasing net assets and total comprehensive income of Bigg Regeneration Limited Partnership by £591,000.

#### *Interest rate risk*

The Company is not exposed to interest rate risk. The interest earned on the cash balance is not deemed to be significant.

#### *Currency risk*

There is no currency risk as all balances are held in pounds sterling.

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

|                                                          | 2016<br>£ | 2015<br>£ |
|----------------------------------------------------------|-----------|-----------|
| <b>3 Loss before taxation</b>                            |           |           |
| Loss before taxation has been arrived at after charging: |           |           |
| Auditor's remuneration                                   | -         | -         |

The Company has no employees other than the directors (2015: £nil).  
None of the directors received any remuneration during the year (2015: £nil).

### **4 Taxation**

No taxation arises on the result for the year (2015: £nil).

|                          | 2016<br>£ | 2015<br>£ |
|--------------------------|-----------|-----------|
| <b>5 Investments</b>     |           |           |
| At 1 January             | 10        | 10        |
| <b>As at 31 December</b> | <b>10</b> | <b>10</b> |

The investment represents a capital contribution to Bigg Regeneration Limited Partnership which is registered in Scotland Reg. No: SL011649.

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

|                                      | 2016<br>£  | 2015<br>£  |
|--------------------------------------|------------|------------|
| <b>6 Receivables and prepayments</b> |            |            |
| Other receivables                    | 100        | 100        |
|                                      | <u>100</u> | <u>100</u> |

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value and none of the amounts are considered to be past due.

|                                                     | 2016<br>£    | 2015<br>£    |
|-----------------------------------------------------|--------------|--------------|
| <b>7 Cash and cash equivalents</b>                  |              |              |
| Cash at bank and in hand                            | 1,523        | 3,288        |
|                                                     | <u>1,523</u> | <u>3,288</u> |
| All cash and cash equivalents are held in sterling. |              |              |

|                                   | 2016<br>£    | 2015<br>£    |
|-----------------------------------|--------------|--------------|
| <b>8 Trade and other payables</b> |              |              |
| Other payables                    | 1,539        | 3,304        |
|                                   | <u>1,539</u> | <u>3,304</u> |

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs. The Company's normal payment terms are within 30 days. Payment terms may exceed 30 days where the contract provides for extended terms.

# BIGG REGENERATION (GENERAL PARTNER) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

|                                                                                      | 2016<br>£    | 2015<br>£    |
|--------------------------------------------------------------------------------------|--------------|--------------|
| <b>9 Related party transactions</b>                                                  |              |              |
| At the balance sheet date, the following balances are owed to or from the Company: - |              |              |
| Owed to Bigg Regeneration Limited Partnership                                        | <u>1,439</u> | <u>3,204</u> |
| Owed by shareholders                                                                 | <u>100</u>   | <u>100</u>   |

|                                   | 2016<br>£  | 2015<br>£  |
|-----------------------------------|------------|------------|
| <b>10 Share capital</b>           |            |            |
| Allotted, issued and fully paid:- |            |            |
| 50 A Ordinary Shares of £1 each   | 50         | 50         |
| 50 B Ordinary Shares of £1 each   | <u>50</u>  | <u>50</u>  |
|                                   | <u>100</u> | <u>100</u> |

Ordinary shares in issue in the Company rank pari passu.

### 11 Ultimate parent undertaking

In the opinion of the directors, there is no ultimate parent undertaking.

# **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIGG REGENERATION (GENERAL PARTNER) LIMITED**

We have audited the financial statements of Bigg Regeneration (General Partner) Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities, the directors are 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its results for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

## **BIGG REGENERATION (GENERAL PARTNER) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIGG REGENERATION (GENERAL PARTNER) LIMITED (continued)**

We have nothing to report in respect of the following matters where the Companies Act 2006 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*BDO LLP*

*Barbara Southern (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Glasgow  
United Kingdom*

*12 June 2017*  
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**BIGG REGENERATION LIMITED PARTNERSHIP**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**(REGISTERED IN SCOTLAND NO.SL011649)**

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **General Partner**

Bigg Regeneration (General Partner) Limited  
Canal House, 1 Applecross Street  
Glasgow  
G4 9SP

### **Independent Auditor**

BDO LLP  
4 Atlantic Quay  
70 York Street  
Glasgow  
G2 8JX

### **Bankers**

*Royal Bank of Scotland plc*

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

### **CONTENTS**

|                                                             | Page  |
|-------------------------------------------------------------|-------|
| Strategic report                                            | 3     |
| Report of the General Partner                               | 4-5   |
| Statement of comprehensive income                           | 6     |
| Statement of financial position                             | 7     |
| Statement of changes in net assets attributable to partners | 8     |
| Statement of cash flows                                     | 9     |
| Notes to the financial statements                           | 10-20 |
| Report of the independent auditor                           | 21-22 |

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **STRATEGIC REPORT**

The General Partner presents its report and audited financial statements of Bigg Regeneration Limited Partnership for the year ended 31 December 2016.

### **Performance**

Total comprehensive income for the year was £537,000 (2015: £1,062,461) after a fair value decrease adjustment of £220,000 (2015: £575,000 increase). The investment properties owned at Payne Street and Borron Street, Port Dundas have continued to return significant rental income. Market factors have contributed to the fluctuations at year-end valuation. The Partnership has now embarked on its first housebuilding project, building 40 homes on the banks of the canal at Maryhill in Glasgow. This project will complement the existing rental portfolio and increase the delivery of significant regeneration benefits in North Glasgow. All existing and potential income streams have created a platform for the wider area to be developed for the local community and existing businesses.

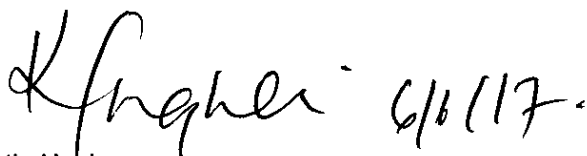
### **Principal risks and uncertainties**

The principal risk and uncertainty of the business is the exposure to fluctuations in investment property valuations. The directors also consider the effective management of medium-term working capital requirements to be a significant financial risk to the Partnership. They do however believe that there are currently sufficient measures in place to manage this risk.

### **Key performance indicators**

The General Partner considers the key performance indicators to be that of occupancy rates and return on property development.

**For and on behalf of Bigg Regeneration (General Partner) Limited**

A handwritten signature in black ink, appearing to read 'K Hughes' followed by a date '6/6/17'.

Katie Hughes  
Director of Bigg Regeneration (General Partner) Limited

.....

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **REPORT OF THE GENERAL PARTNER FOR THE YEAR ENDED 31 DECEMBER 2016**

### **Principal activity**

The Partnership was established on 29 October 2012 and is registered as a limited partnership in Scotland under the Limited Partnerships Act 1907. The operation of the Partnership is governed by the Partnership Agreement dated 7 December 2012 (the "Partnership Agreement"). The principal activity of the Partnership is property investment within the United Kingdom.

### **Going concern**

The General Partner has assessed the Net Assets position of the Partnership and has concluded that it has sufficient liquid resources to meet its liabilities for the foreseeable future. For this reason, it has adopted the going concern basis for preparing the financial statements.

### **Partners**

The general partner is Bigg Regeneration (General Partner) Limited. The directors of the General Partner during the year were:

Stephen Dunlop  
Katie Hughes  
Mark Nevitt  
David Skinner

The limited partners during the year were:

- British Waterways Board trading as Scottish Canals
- Citibank International PLC as trustee of Igloo Regeneration Property Unit Trust

### **Statement of members' responsibilities in respect of the financial statements**

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

The Partnerships (Accounts) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards as adopted by the European Union. Under these regulations 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 Partnership and of the profit or loss of the Partnership for the period.

In preparing these financial statements the members are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable and International Financial Reporting Standards as adopted by the European Union have been followed, subject to any material departures disclosed and explained in financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the partnership will continue in business.

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **REPORT OF THE GENERAL PARTNER FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

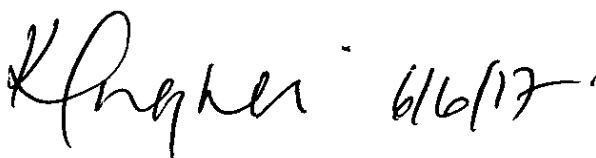
The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Partnership, and enable them to ensure that the financial statements comply with the Partnerships (Accounts) Regulations 2008. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Auditors**

The directors of the General Partner have taken all the steps that they ought to have taken to make themselves aware of any information needed by the LP's auditor for the purposes of their audit and to establish that the auditor is aware of that information. The General Partner is not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have been appointed as auditors of the Partnership and will remain in office.

### **For and on behalf of Bigg Regeneration (General Partner) Limited**

A handwritten signature in black ink, appearing to read 'K Hughes', followed by the date '6/6/17'.

Katie Hughes  
Director of Bigg Regeneration (General Partner) Limited

.....

# BIGG REGENERATION LIMITED PARTNERSHIP

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

|                                                                                         | 2016<br>£          | 2015<br>£        |
|-----------------------------------------------------------------------------------------|--------------------|------------------|
| Notes                                                                                   |                    |                  |
| 3                                                                                       |                    |                  |
| Revenue                                                                                 | 3,547,265          | 913,854          |
| Cost of Sales                                                                           | <u>(2,361,122)</u> | <u>-</u>         |
|                                                                                         | 1,186,143          | 913,854          |
| 4                                                                                       |                    |                  |
| Other operating income                                                                  | 87,165             | 128,002          |
| Administrative expenses                                                                 | (516,308)          | (554,395)        |
| Adjustment to fair value of investment properties                                       | <u>(220,000)</u>   | <u>575,000</u>   |
| 5                                                                                       |                    |                  |
| Profit from operations                                                                  | 537,000            | 1,062,461        |
|                                                                                         |                    |                  |
| Total comprehensive income for the year before partners' remuneration and profit shares | <u>537,000</u>     | <u>1,062,461</u> |
|                                                                                         |                    |                  |
| Allocation of profit to Partners:                                                       |                    |                  |
| Profit for period to be allocated to Limited Partners                                   | <u>537,000</u>     | <u>1,062,461</u> |

All amounts relate to continuing activities.

All recognised gains and losses in the current year are in the statement of comprehensive income.

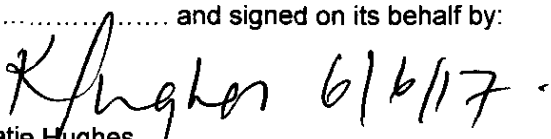
*The accompanying notes to the financial statements, on pages 10 to 20, are an integral part of this statement.*

# BIGG REGENERATION LIMITED PARTNERSHIP

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016 REGISTERED NUMBER: SL011649

|                                                  | 2016<br>£         | 2015<br>£        |
|--------------------------------------------------|-------------------|------------------|
| Notes                                            |                   |                  |
| <b>ASSETS</b>                                    |                   |                  |
| <b>Non-current assets</b>                        |                   |                  |
| 6 Investment properties                          | 5,910,000         | 6,130,000        |
| <b>Current assets</b>                            |                   |                  |
| 8 Stock and work-in-progress                     | 2,772,802         | 1,083,164        |
| 7 Receivables and prepayments                    | 317,688           | 161,964          |
| 9 Cash and cash equivalents                      | 1,635,678         | 640,577          |
|                                                  | <u>4,726,168</u>  | <u>1,885,705</u> |
| <b>Total assets</b>                              | <b>10,636,168</b> | <b>8,015,705</b> |
| <b>LIABILITIES</b>                               |                   |                  |
| <b>Current liabilities</b>                       |                   |                  |
| 10 Trade and other payables                      | 802,758           | 319,295          |
| <b>Total liabilities</b>                         | <u>802,758</u>    | <u>319,295</u>   |
| <b>Net assets</b>                                | <b>9,833,410</b>  | <b>7,696,410</b> |
| <b>Represented by:</b>                           |                   |                  |
| <b>Loans and other debts due within one year</b> |                   |                  |
| Limited partners' loan contribution accounts     | 6,719,484         | 5,119,484        |
| <b>Equity</b>                                    |                   |                  |
| Partners' capital contribution accounts          | 10,000            | 10,000           |
| Partners' profit and loss accounts               | 3,103,926         | 2,566,926        |
| <b>Total partners' interests</b>                 | <u>9,833,410</u>  | <u>7,696,410</u> |

The financial statements were approved and authorised for issue by the General Partner on ..... and signed on its behalf by:

  
Katie Hughes  
Director of Bigg Regeneration (General Partner) Limited

The accompanying notes to the financial statements, on pages 10 to 20, are an integral part of this statement.

# BIGG REGENERATION LIMITED PARTNERSHIP

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO PARTNERS FOR THE YEAR ENDED 31 DECEMBER 2016

|                                   | Partners'<br>loan<br>contribution<br>£ | Partners'<br>capital<br>contribution<br>£ | Partners'<br>profit and loss<br>account<br>£ | Total<br>£ |
|-----------------------------------|----------------------------------------|-------------------------------------------|----------------------------------------------|------------|
| Balance at 31 December 2014       | 5,119,484                              | 10,000                                    | 1,504,465                                    | 6,633,949  |
| Comprehensive income for the year | -                                      | -                                         | 1,062,461                                    | 1,062,461  |
| Balance at 31 December 2015       | 5,119,484                              | 10,000                                    | 2,566,926                                    | 7,696,410  |

|                                    | Partners'<br>loan<br>contribution<br>£ | Partners'<br>capital<br>contribution<br>£ | Partners'<br>profit and loss<br>account<br>£ | Total<br>£       |
|------------------------------------|----------------------------------------|-------------------------------------------|----------------------------------------------|------------------|
| Balance at 31 December 2015        | 5,119,484                              | 10,000                                    | 2,566,926                                    | 7,696,410        |
| Contributions in the year          | 1,600,000                              | -                                         | -                                            | 1,600,000        |
| Comprehensive income for the year  | -                                      | -                                         | 537,000                                      | 537,000          |
| <b>Balance at 31 December 2016</b> | <b>6,719,484</b>                       | <b>10,000</b>                             | <b>3,103,926</b>                             | <b>9,833,410</b> |

*The accompanying notes to the financial statements, on pages 10 to 20, are an integral part of this statement.*

# BIGG REGENERATION LIMITED PARTNERSHIP

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

|                                                             | 2016<br>£        | 2015<br>£      |
|-------------------------------------------------------------|------------------|----------------|
| Notes                                                       |                  |                |
| <b>Cash flows from operating activities</b>                 |                  |                |
| Profit before partners' share of profits                    | 537,000          | 1,062,461      |
| Adjustments for:                                            |                  |                |
| Fair value adjustment to investment properties              | 220,000          | (575,000)      |
| Changes in working capital:                                 |                  |                |
| Receivables and prepayments                                 | (155,724)        | (101,504)      |
| Stocks and work-in-progress                                 | (1,689,638)      | (1,083,164)    |
| Trade and other payables                                    | 483,463          | 27,257         |
|                                                             | <hr/>            | <hr/>          |
| Net cash utilised from operations                           | (604,899)        | (669,950)      |
| <b>Cash flows from financing activities</b>                 |                  |                |
| Loan contributions from partners                            | 1,600,000        | -              |
|                                                             | <hr/>            | <hr/>          |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | 995,101          | (669,950)      |
|                                                             | <hr/>            | <hr/>          |
| Cash and cash equivalents at beginning of year              | 640,577          | 1,310,527      |
|                                                             | <hr/>            | <hr/>          |
| 9 <b>Cash and cash equivalents at end of year</b>           | <b>1,635,678</b> | <b>640,577</b> |
|                                                             | <hr/>            | <hr/>          |

Loan contributions from partners of £800,000 each were received in the year.

*The accompanying notes to the financial statements, on pages 10 to 20, are an integral part of this statement.*

# BIGG REGENERATION LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

### 1 Accounting policies

#### (a) Accounting convention

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and their interpretations issued or adopted by the International Accounting Standards Board as adopted for use in the European Union ('IFRS') and in compliance with the requirements of the Limited Partnership Agreement of the Partnership and with the requirements of the Companies Act 2006 as applied by the Partnerships (Accounts) Regulations 2008.

**Standard amendments to standards and interpretations applicable to this year and which have not impacted on the Partnership**

| <b>Title</b>                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34 issued in September 2014 Annual Improvements to IFRSs                                                                                  |
| Amendments to IFRS 10, IFRS 12 and IAS 28 regarding the application of the consolidation exception                                                                                     |
| Amendments to IFRS 11 regarding the accounting for acquisitions of an interest in a joint venture                                                                                      |
| Amendments to IAS 1 resulting from the disclosure initiative                                                                                                                           |
| Amendments to IAS 16 and IAS 38 regarding the classification of acceptable methods of depreciation and amortisation                                                                    |
| Amendments to IAS 16 and IAS 41 bringing bearer plants into the scope of IAS 16                                                                                                        |
| Amendments to IAS 27 reinstating the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements |

#### **Future accounting developments:**

Certain new standards, amendments to new standards and interpretations have been published that are mandatory to the Partnership's future accounting periods but have not been adopted early in these financial statements. These are set out below:

**Standards, amendments to standards and interpretations endorsed for use by the European Union and available for adoption, but have no material impact on the Partnership:**

# BIGG REGENERATION LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

| <i>Title</i>                                                                | <i>Effective Date</i>                                           | <i>Anticipated effect on the Partnership</i> |
|-----------------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------|
| IFRS 2 – Share-based Payment                                                | 1 January 2018                                                  | None                                         |
| IFRS 4 – Insurance Contracts                                                | 1 January 2018                                                  | None                                         |
| IFRS 9 – Financial Instruments                                              | 1 January 2018                                                  | None                                         |
| IFRS 15 – Revenue from Contracts with Customers                             | 1 January 2018                                                  | None                                         |
| IFRS 16 - Leases                                                            | 1 January 2019                                                  | None                                         |
| IAS 7 – Statement of Cash Flows                                             | 1 January 2017                                                  | None                                         |
| IFRS 12, IFRS 1 and IFRS 28 – Annual improvement to IFRSs (2014-2016 Cycle) | 1 January 2017 (IFRS 12)<br>1 January 2018 (IFRS 1 and IFRS 28) | None                                         |
| IAS 40 – Investment Property                                                | 1 January 2018                                                  | None                                         |

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

**(b) *Revenue***

Revenue is derived from the continuing principal activities of the Partnership and is stated net of VAT. Rental income is recognised as income in the period to which it relates.

**(c) *Investment property***

Investment property is property held to earn rentals and for capital appreciation. In accordance with IAS 40, the partners have elected to measure the investment property using the fair value model with changes in the carrying value recognised in the Statement of Comprehensive Income.

**(d) *Classification of capital***

Under the terms of the Partnership Agreement of the Partnership, capital is contributed to the Partnership by the partners in the form of both capital and loan contributions. The loan contributions are classified as a liability in the financial statements on the basis that the repayment of the loan contributions rank in priority to the repayment of the capital contributions upon a return of capital by the Partnership. All capital distributions made by the Partnership will reduce the loan contribution balance until such time as the loan contribution has been fully repaid by the Partnership. Following the repayment of the loan contributions, all surplus capital profits are recognised as a capital gain from the capital contribution.

**(e) *Administrative expenses***

All reasonable costs incurred in relation to the administration of the Partnership are charged to the statement of comprehensive income on an accruals basis.

**(f) *Cash and cash equivalents***

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand with an original maturity of three months or less. For the purposes of the cash flow statements, cash and cash equivalents comprise cash as defined above.

**(g) *Other receivables***

Assets, other than those specifically accounted for under a separate policy, are stated at their consideration receivable less impairment losses. The carrying value of such assets are considered approximate to their fair value. All assets are reviewed at each balance sheet date to determine whether there is an indication of impairment. If any such indication exists, the asset's recoverable amount is estimated based on expected discounted future cash flows. Any change in the levels of impairment is recognised directly in the statement of comprehensive income. An impairment loss is reversed at subsequent financial reporting dates to extent that the asset's carrying amount does not exceed its carrying value, had an impairment been recognised.

**(h) *Stock and work-in-progress***

Work-in-progress includes all direct costs of production and the appropriate proportion of production overheads. Work-in-progress includes all contracted works undertaken by the partnership's suppliers at valuation.

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include direct costs of production and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

(i) *Other payables*

Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which the General Partner considers to be payable in respect of services received up to the balance sheet date. The carrying value of other payables is considered to be approximate to their fair value.

(j) *Tax*

No tax is recorded in the financial statements of the Partnership as all tax liabilities are liabilities of the partners, not the Partnership.

(k) *Partnership agreement*

- Net Losses shall be allocated to the Partners pro rata in proportion to their Capital Contributions.
- Net Profits shall be allocated to the Partners as noted below.

If the General Partner so determines that there is Net Income that may be distributed, the General Partner shall, subject to retaining such amount as the General Partner shall determine is reasonable for the working capital purposes of the Partnership, distribute all Net Income of the Partnership which shall be applied in the following order of priority (after payment of the Partnership Expenses): -

- first, (in so far as not already paid as a Partnership Expense) in repaying any borrowings of the Partnership that are due and payable (other than the Outstanding Loans);
- second, any balance remaining after payments shall be applied in repaying the Outstanding Loans from the Limited Partners pro rata to the amount of the Loan Contributions outstanding to each such Limited Partner;
- third, any balance remaining after payments pursuant to above shall be applied in making payments to the Partners pro rata to their respective Capital Contributions; and
- finally, in the event any further sums remain after payments above, such sums shall be applied at the General Partner's discretion in repayment of the Capital Contribution accounts of the Partners.

**Distribution of Net Profits**

- Net Profits shall be distributed to the Partners in respect of each Accounting Period at such time or times as the General Partner shall determine, or as soon as practicable after the liquidation of the Partnership. Any such distributions determined by the General Partner shall be made among the Limited Partners and the General Partner and the General Partner shall distribute the relevant cash among the Partners subject to such reasonable retentions provisions, reserves or deductions as the General Partner shall determine in its sole discretion.

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

### **Limitations on distributions**

- The General Partner shall not be obliged to cause the Partnership to make any distribution: -
  - Unless there is sufficient cash available;
  - If it would render the Partnership insolvent;
  - If, in the opinion of the General Partner, it would or might leave the Partnership with insufficient funds to meet any future contemplated obligations or contingencies; or
  - If, following such distribution, the aggregate of the balances on any Partner's profit and loss, Capital Contribution and Loan Contribution accounts would be less than nil.

### **(l) *Lease incentives***

Rental income is recognised in the income statement on a straight-line basis over the term of the lease. Where material, lease incentives granted are recognised as an integral part of the net consideration and are therefore recognised on the same, straight-line basis. Incentives are provided to tenants in various forms such as rent free periods or funding towards property fit-out costs and are usually offered on signing a new contract. Where such incentives are provided, the fair value of the incentive is deferred and recognised in line with this accounting policy.

### **(m) *Critical accounting estimates and judgements***

#### **Fair value measurement**

Certain assets included in the Partnership's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Partnership's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Partnership measures the following items at fair value:

- Investment property (note 6)

Due to the nature of stocks held (development costs/properties held for resale) net realisable value is an area subject to estimation and judgement.

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016(CONTINUED)**

### **2 Financial risk management**

The specific financial risks faced by the Partnership are:

#### **Concentration risk**

The partnership is exposed to risk based on its investment in investment property.

#### **Capital structure**

The capital structure of the Partnership consists of equity and loan commitments made by limited partners in accordance with the Limited Partnership Agreement dated 7 December 2012. The General Partner believes that the Partnership has sufficient capital to cover its liabilities. The Partnership is free to return realised surplus profits to the partners in accordance with the Limited Partnership Agreement. No restrictions exist in respect of the distribution of surplus realised profits. Profits are allocated to each partner in proportion to their profit entitlements in accordance with the Limited Partnership Agreement.

#### **Credit Risk**

The Partnership is subject to credit risk on its receivables and cash.

The General Partner does not believe that there is significant credit risk as amounts owed by the Partnership's debtors are due from tenants for which the ability to meet obligations is closely monitored. The Partnership's maximum exposure to credit risk is the value of the receivables balance as disclosed in note 7 and its cash balance. Through the year, the Partnership's cash and deposits were held in short-term bank deposits with a minimum of a single A rating.

The Partnership is also exposed to credit risk in relation to outstanding loan commitments from its limited partners. Loan commitments are made under the Limited Partnership Agreement signed by all parties so that all members of the Partnership are aware of their commitments. The General Partner communicates regularly with all the members of the Partnership to make them aware of likely future capital requirements and provide explanations for investment performance.

#### **Liquidity risk**

The current liabilities are repayable on demand for the consideration shown in note 10.

#### **Market risk**

The valuation of the Partnership's investment property is largely dependent on market conditions. A 10% increase or decrease in the fair value of investment property would have the impact of increasing or decreasing net assets and total comprehensive income by £591,000.

#### **Interest rate risk**

The Partnership is not exposed to interest rate risk. The interest earned on the cash balance is not deemed to be significant.

#### **Currency risk**

There is no currency risk as all balances are held in pounds sterling.

# BIGG REGENERATION LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

|                                                                                             | 2016<br>£ | 2015<br>£ |
|---------------------------------------------------------------------------------------------|-----------|-----------|
| <b>3 Revenue</b>                                                                            |           |           |
| Property sales                                                                              | 2,572,500 | -         |
| Rental income                                                                               | 974,765   | 913,854   |
|                                                                                             | <hr/>     | <hr/>     |
| Total revenue                                                                               | 3,547,265 | 913,854   |
|                                                                                             | <hr/>     | <hr/>     |
| The investment property generated rental income throughout the year                         |           |           |
| <b>4 Other operating income</b>                                                             |           |           |
| Income from grants, dilapidations, insurance premiums and refurbishments charged to tenants | 87,165    | 128,002   |
|                                                                                             | <hr/>     | <hr/>     |
| <b>5 Profit from operations</b>                                                             |           |           |
| Profit from operations has been arrived at after charging:                                  |           |           |
| Auditor's remuneration                                                                      | 7,000     | 5,000     |
|                                                                                             | <hr/>     | <hr/>     |

The Partnership has no employees.  
No partners received any remuneration during the year.

# BIGG REGENERATION LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

|                              | 2016<br>£        | 2015<br>£        |
|------------------------------|------------------|------------------|
| <b>6 Investment property</b> |                  |                  |
| <b>At fair value</b>         |                  |                  |
| Opening value at 1 January   | 6,130,000        | 5,555,000        |
| Fair value adjustment        | (220,000)        | 575,000          |
| <b>As at 31 December</b>     | <b>5,910,000</b> | <b>6,130,000</b> |

The Partnership's investment property was valued at £5,910,000 as at 31 December 2016 (2015: £6,130,000). The basis of valuation was open market value as estimated by CBRE, an independent firm of chartered surveyors and property consultants with recent experience valuing investment properties in the location held by the Partnership. The partners have reviewed the market value of the property as at 31 December 2016 and are of the view that the current valuation in the financial statements is appropriate. The fair value, which is categorised as a Level 3 recurring fair value measurement, is based on the highest and best use, which does not differ from the actual use.

During the year £974,765 (2015: £913,854) of rental income was generated from the investment property and was recognised in the Statement of Comprehensive Income.

There are no restrictions on the reliability of investment property or the remittance of income and proceeds of disposal.

At 31 December 2016 there were no contractual obligations to purchase investment property.

|                                                    | 2016<br>£      | 2015<br>£      |
|----------------------------------------------------|----------------|----------------|
| <b>7 Receivables and prepayments</b>               |                |                |
| Trade debtors                                      | 92,773         | 50,800         |
| Less provision for impairment of trade receivables | (5,307)        | (14,255)       |
| Prepayments and accrued income                     | 25,957         | 30,718         |
| Value Added Tax                                    | 9,069          | -              |
| Other receivables                                  | 195,196        | 94,701         |
| <b>Total receivables (current)</b>                 | <b>317,688</b> | <b>161,964</b> |

The partners consider that the carrying amount of trade and other receivables approximates to their fair value. There were no trade receivables pledged as collateral both in the current year and the prior year.

As at 31 December 2016, trade receivables of £28,570 were past due but not impaired. They relate to the customers with no default history and are over 90 days in age.

# BIGG REGENERATION LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

|                                                     | 2016<br>£ | 2015<br>£ |
|-----------------------------------------------------|-----------|-----------|
| <b>8 Stock and work-in-progress</b>                 |           |           |
| Finished Goods                                      | 610,015   | -         |
| Work-in-progress                                    | 2,162,787 | 1,083,164 |
|                                                     | <hr/>     | <hr/>     |
| Total stock and work-in-progress                    | 2,772,802 | 1,083,164 |
|                                                     | <hr/>     | <hr/>     |
|                                                     | 2016<br>£ | 2015<br>£ |
| <b>9 Cash and cash equivalents</b>                  |           |           |
| Cash at bank and in hand                            | 1,635,678 | 640,577   |
|                                                     | <hr/>     | <hr/>     |
| All cash and cash equivalents are held in sterling. |           |           |
|                                                     | 2016<br>£ | 2015<br>£ |
| <b>10 Trade and other payables</b>                  |           |           |
| Trade payables                                      | 71,590    | 57,565    |
| Accrued expenses and deferred income                | 725,976   | 256,538   |
| Other payables                                      | 5,192     | 5,192     |
|                                                     | <hr/>     | <hr/>     |
|                                                     | 802,758   | 319,295   |
|                                                     | <hr/>     | <hr/>     |

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

Included in deferred income is amounts due to a government agency of £183,752 that, at the balance sheet date, has current unfulfilled conditions.

# BIGG REGENERATION LIMITED PARTNERSHIP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

### 11 Financial risk management

The principal financial instruments used by the Partnership, from which the financial instrument risk arises are Trade receivables, Cash and cash equivalents and Trade and other payables.

#### (i) Financial assets by category

|                             | 2016<br>£ | 2015<br>£ |
|-----------------------------|-----------|-----------|
| Cash and cash equivalents   | 1,635,678 | 640,577   |
| Trade and other receivables | 282,662   | 100,545   |
|                             | <hr/>     | <hr/>     |
| Total loans and receivables | 1,918,340 | 741,122   |
|                             | <hr/>     | <hr/>     |

#### (ii) Financial liabilities by category at amortised cost

|                          | 2016<br>£ | 2015<br>£ |
|--------------------------|-----------|-----------|
| Trade and other payables | 537,529   | 191,697   |
|                          | <hr/>     | <hr/>     |

#### (iii) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, and trade and other payables. Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

### 12 Related party transactions

At the balance sheet date the following balances are owed to the Partnership by related parties:-

|                                             | 2016<br>£ | 2015<br>£ |
|---------------------------------------------|-----------|-----------|
| Bigg Regeneration (General Partner) Limited | 1,444     | 3,204     |
| Scottish Canals                             | -         | 54,000    |
| The Partners                                | 10,000    | 10,000    |

BWB (General Partner) Limited has a 50% interest in Bigg Regeneration (General Partner) Limited. During the year, the Partnership incurred management fees totalling £27,000 (2015: £48,000) payable to BWB (General Partner) Limited. At 31 December 2016, the balance owed to BWB (General Partner) Limited amounted to £27,000 (2015: £57,600).

Transactions with the Limited Partners in the form of profit share and contributions are detailed on page 8.

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)**

### **13 Ultimate parent undertaking**

In the opinion of the partners, there is no ultimate parent undertaking.

### **14 Post balance sheet events**

After the balance sheet date it was agreed not to pursue the option for the purchase of land for development. This has led to a reduction in the value of work in progress of £427,161, which will be recognised in 2017.

# **BIGG REGENERATION LIMITED PARTNERSHIP**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIGG REGENERATION LIMITED PARTNERSHIP**

We have audited the financial statements of Bigg Regeneration Limited Partnership for the year ended 31 December 2016, which comprise the statement of comprehensive income, the balance sheet, the cash flow statement, the statement of changes in net assets and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the partnership's members, as a body, in accordance with the Partnerships (Accounts) Regulations 2008. Our audit work has been undertaken so that we might state to the partnership'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 partnership and the partnership's members as a body, 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 statement of members' responsibilities, the members are 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 Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

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

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the partnership's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to partnerships by Partnerships (Accounts) Regulations 2008.

## BIGG REGENERATION LIMITED PARTNERSHIP

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIGG REGENERATION LIMITED PARTNERSHIP (CONTINUED)

#### 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 as applied to 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.

BDO LLP

*Barbara Southern (senior statutory auditor)  
For and on behalf of BDO LLP, statutory auditor  
Glasgow*

*United Kingdom*

9 June 2017

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).