

Cunningham House LLP
Filleted Financial Statements
For the year ended
31 March 2018



Cunningham House LLP

Financial Statements

Year ended 31 March 2018

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Cunningham House LLP

Designated Members and Professional Advisers

Designated members	The Ulster Unionist Party Brandenburg (Services For Property Developers) Ltd
Registered office	Andras House 60 Great Victoria Street Belfast BT2 7ET
Auditor	Jackson Andrews Chartered Accountant & Statutory Auditor Andras House 60 Great Victoria Street Belfast BT2 7ET
Bankers	First Trust Bank 34-36 Market Square Lisburn Co Antrim BT28 1AG
Solicitors	Peden & Reid 22 Callender Street Belfast BT1 5BU

Cunningham House LLP

Balance Sheet

Year ended 31 March 2018

	Note	2018 £	2017 £
Current assets			
Stocks	5	1,000,000	1,050,000
Debtors	6	16,200	13,050
Cash at bank and in hand		12,273	9,732
		<u>1,028,473</u>	<u>1,072,782</u>
Creditors: amounts falling due within one year	7	<u>(5,160)</u>	<u>(8,014)</u>
Net current assets		<u>1,023,313</u>	<u>1,064,768</u>
Total assets less current liabilities		<u>1,023,313</u>	<u>1,064,768</u>
Net assets attributable to members		<u>1,023,313</u>	<u>1,064,768</u>

Represented by:

Loans and other debts due to members

Members capital classified as equity	9	<u>1,023,313</u>	<u>1,064,768</u>
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Total members' interests

Loans and other debts due to members	9	<u>1,023,313</u>	<u>1,064,768</u>
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For the year ending 30th April 2017 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small limited liability partnerships.

The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLP regime of the Companies Act 2006 and in accordance with "The Financial Reporting Standard applicable in the UK and Republic of Ireland," (FRS 102) Section 1A.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

These accounts were approved by the members and authorised for issue on 18 June 2018, and are signed on their behalf by:


MARK COSGROVE
 The Ulster Unionist Party
 Designated Member


DAVID WATSON
 Brandenburg (Services For Property Developers) Ltd
 Designated Member

Registered number: NC000453

Cunningham House LLP

Notes to the Financial Statements

Year ended 31 March 2018

1. General information

Cunningham House LLP is a limited liability partnership registered in Northern Ireland. The address of the registered office is Andras House, 60 Great Victoria Street,, Belfast, BT2 7ET.

The principal activity of the LLP is letting property and the development of Cunningham House.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in January 2017 (SORP 2017).

3. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102)', the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in 2014 (SORP 2014) and the Companies Act 2006 (as applied to LLPs). The financial statements have been prepared on the going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling, which is the functional currency of the entity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Those that have had the most significant effect on the amounts recognised in the financial statements and that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

- (i) stock provision

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. Turnover from the rental property is recognised on an accruals basis.

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Cunningham House LLP

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Members' participation rights *(continued)*

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the profit and loss account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the balance sheet.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the profit and loss account and are equity appropriations in the balance sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the balance sheet within 'Loans and other debts due to members' and are charged to the profit and loss account within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the balance sheet within 'Members' other interests'.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised in profit or loss.

Cunningham House LLP

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

3. Accounting policies *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. Employee numbers

The average number of members of the LLP during the year, amounted to 2 (2017: 2).

The average monthly number of employees, including members with contracts of employment, during the year was as follows:

	2018 No	2017 No
Employees	<u>Nil</u>	<u>Nil</u>

5. Stock

	2018 £	2017 £
Work in progress	<u>1,000,000</u>	<u>1,050,000</u>

At the balance sheet date the value of the Cunningham House property was written down by £50,000 to £1,000,000.

Stocks with a net book value of £1,000,000 (2017: £1,050,000) have been pledged as security for liabilities.

6. Debtors

	2018 £	2017 £
Prepayments and accrued income	1,650	–
Amounts due from the members	5,100	5,100
Other debtors	<u>9,450</u>	<u>7,950</u>
	<u>16,200</u>	<u>13,050</u>

7. Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals and deferred income	2,310	4,176
Social security and other taxes	<u>2,850</u>	<u>3,838</u>
	<u>5,160</u>	<u>8,014</u>

Cunningham House LLP

Notes to the Financial Statements (continued)

Year ended 31 March 2018

8. Loans and other debts due to members

	2018 £	2017 £
Amounts owed to members in respect of profits	<u>1,023,313</u>	<u>1,064,768</u>

In the event of winding up, amounts in 'Loans and other debts due to members' (other than members' capital classified as debt) would rank after other creditors who are unsecured.

There are no such restrictions existing on the ability of the members to reduce the amount of 'Members' other interests'.

9. Reconciliation of members' interests

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Other reserves £	Total £	Other amounts £	Total £	Total 2018 £
Balance at 1 April 2017	–	–	1,064,768	1,064,768	1,064,768
Loss for the financial year available for discretionary division among members	(28,455)	(28,455)			(28,455)
Members' interests after loss for the year	(28,455)	(28,455)	1,064,768	1,064,768	1,036,313
Other division of profits	28,455	28,455	(28,455)	(28,455)	–
Drawings			(13,000)	(13,000)	(13,000)
Balance at 31 March 2018	<u>–</u>	<u>–</u>	<u>1,023,313</u>	<u>1,023,313</u>	<u>1,023,313</u>

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Other reserves £	Total £	Other amounts £	Total £	Total 2017 £
Balance at 1 April 2016	–	–	1,109,886	1,109,886	1,109,886
Loss for the financial year available for discretionary division among members	(35,118)	(35,118)			(35,118)
Members' interests after loss for the year	(35,118)	(35,118)	1,109,886	1,109,886	1,074,768
Other division of profits	35,118	35,118	(35,118)	(35,118)	–
Drawings			(10,000)	(10,000)	(10,000)
Balance at 31 March 2017	<u>–</u>	<u>–</u>	<u>1,064,768</u>	<u>1,064,768</u>	<u>1,064,768</u>

Cunningham House LLP

Notes to the Financial Statements *(continued)*

Year ended 31 March 2018

10. Ethical standards

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

11. Summary audit opinion

The auditor's report for the year dated 18th June 2018 was unqualified.

The senior statutory auditor was Mr Tim Browne FCA, for and on behalf of Jackson Andrews.

12. Related party transactions

In the opinion of the members The Ulster Unionist Party has control over Cunningham House LLP with 70% (2017 - 70%) share of the partnership (LLP).

The key management personnel compensation for the year was £Nil (2017: £Nil).

Capital was introduced by both designated members for the purchase of Cunningham House for £1,650,000. At the balance sheet date the value of the property was written down to £1,000,000 (2017: £1,050,000).

At the balance sheet date an amount of £nil (2017 - £nil) was due to/from Brandenburg (Services For Property Developers) Ltd and £nil (2017 - £nil) was due/from Ulster Unionist Party .

At the balance sheet date an amount of £5,100 is due from Dado Developments Limited (2017 £5,100).

13. Security

Legal mortgage / charge over Cunningham House, 429 Holywood Road, Belfast.