

Registered number: OC305843

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RH & RW CLUTTON

**RH & RW Clutton LLP**

**Annual report and financial statements  
for the year ended 30 September 2019**



## **RH & RW Clutton LLP**

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## **RH & RW Clutton LLP**

### **Chartered Accountants' report to the Members on the preparation of the Unaudited statutory financial statements of RH & RW Clutton LLP for the year ended 30 September 2019**

In order to assist you to fulfil your duties under the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), we have prepared for your approval the financial statements of RH & RW Clutton LLP for the year ended 30 September 2019 which comprise the Balance sheet and the related notes from the LLP's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

This report is made solely to the members in accordance with the terms of our engagement letter dated 4 November 2019. Our work has been undertaken solely to prepare for your approval the financial statements of RH & RW Clutton LLP and state those matters that we have agreed to state to the members in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than RH & RW Clutton LLP and its members for our work or for this report.

It is your duty to ensure that RH & RW Clutton LLP has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of RH & RW Clutton LLP. You consider that RH & RW Clutton LLP is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or review of the financial statements of RH & RW Clutton LLP. 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 statutory financial statements.



Chavereys  
Chartered Accountants  
Faversham

Date: 21 May 2020

**RH & RW Clutton LLP**  
**Registered number:OC305843**

**Balance sheet**  
**as at 30 September 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	4	30,000	65,000
Tangible assets	5	94,517	77,329
		<u>124,517</u>	<u>142,329</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	414,618	435,718
Cash at bank and in hand	7	301	300
		<u>414,919</u>	<u>436,018</u>
Creditors: amounts falling due within one year	8	(378,182)	(406,776)
<b>Net current assets</b>		<u>36,737</u>	<u>29,242</u>
<b>Total assets less current liabilities</b>		<u>161,254</u>	<u>171,571</u>
Creditors: amounts falling due after more than one year	9	(45,794)	(24,277)
		<u>115,460</u>	<u>147,294</u>
<b>Net assets</b>		<u>115,460</u>	<u>147,294</u>
<b>Capital and reserves</b>			
Members' capital		115,460	147,294
		<u>115,460</u>	<u>147,294</u>

**RH & RW Clutton LLP**  
**Registered number:OC305843**

**Balance sheet (continued)**  
**as at 30 September 2019**

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

The entity 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.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, with respect to accounting records and the preparation of financial statements.

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

The entity has opted not to file the statement of comprehensive income in accordance with the provisions applicable to entities subject to the small LLPs regime.

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

**G H Back**  
Designated member



Date: 18 MAY 2020

The notes on pages 5 to 11 form part of these financial statements.

## RH & RW Clutton LLP

### Reconciliation of Members' interests for the year ended 30 September 2019

EQUITY			
Members' other interests			
Members' capital (classified as equity)	£	Other reserves £	Total £
Profit for the year available for discretionary division among members	-	264,150	264,150
<b>Members' interests after profit for the year</b>	<b>91,295</b>	<b>264,150</b>	<b>355,445</b>
Other division of profits	264,149	(264,149)	-
Amounts introduced by members	34,500	-	34,500
Repayment of capital	(242,649)	-	(242,649)
<b>Balance at 30 September 2018</b>	<b>147,294</b>	<b>-</b>	<b>147,294</b>
Profit for the year available for discretionary division among members	-	135,927	135,927
<b>Members' interests after profit for the year</b>	<b>147,294</b>	<b>135,927</b>	<b>283,221</b>
Other division of profits	135,927	(135,927)	-
Repayment of capital	(167,761)	-	(167,761)
<b>Balance at 30 September 2019</b>	<b>115,460</b>	<b>-</b>	<b>115,460</b>

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

## **RH & RW Clutton LLP**

### **Notes to the financial statements for the year ended 30 September 2019**

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

RH & RW Clutton LLP is a limited liability partnership, incorporated in England and Wales.

The partnership incorporation number is OC305843, the registered office and trading address is 92 High Street, East Grinstead, West Sussex, RH19 3DF.

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

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

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The following principal accounting policies have been applied:

##### **2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the LLP will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **2.3 Finance costs**

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.4 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

## **RH & RW Clutton LLP**

### **Notes to the financial statements for the year ended 30 September 2019**

#### **2. Accounting policies (continued)**

##### **2.5 Pensions**

###### **Defined contribution pension plan**

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the LLP in independently administered funds.

##### **2.6 Intangible assets**

###### **Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the profit and loss account over its useful economic life.

###### **Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

##### **2.7 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Improvements to property	- 15% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% reducing balance
Computer equipment	- 25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

## **RH & RW Clutton LLP**

### **Notes to the financial statements for the year ended 30 September 2019**

#### **2. Accounting policies (continued)**

##### **2.8 Debtors**

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

##### **2.9 Cash and cash equivalents**

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

##### **2.10 Creditors**

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

##### **2.11 Financial instruments**

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

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

## **RH & RW Clutton LLP**

### **Notes to the financial statements for the year ended 30 September 2019**

#### **3. Employees**

The average monthly number of employees, including members, during the year was 27 (2018 -27).

#### **4. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 October 2018	87,500
Disposals	(37,500)
At 30 September 2019	<u>50,000</u>
<b>Amortisation</b>	
At 1 October 2018	22,500
Charge for the year	5,000
On disposals	(7,500)
At 30 September 2019	<u>20,000</u>
<b>Net book value</b>	
At 30 September 2019	<u><u>30,000</u></u>
At 30 September 2018	<u><u>65,000</u></u>

## RH & RW Clutton LLP

### Notes to the financial statements for the year ended 30 September 2019

#### 5. Tangible fixed assets

	Improvements to property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 October 2018	34,729	93,595	30,714	125,897	284,935
Additions	-	39,749	-	13,081	52,830
Disposals	-	(49,646)	-	-	(49,646)
At 30 September 2019	<u>34,729</u>	<u>83,698</u>	<u>30,714</u>	<u>138,978</u>	<u>288,119</u>
<b>Depreciation</b>					
At 1 October 2018	26,446	51,472	27,217	102,471	207,606
Charge for the year on owned assets	1,242	13,524	875	6,176	21,817
Disposals	-	(35,821)	-	-	(35,821)
At 30 September 2019	<u>27,688</u>	<u>29,175</u>	<u>28,092</u>	<u>108,647</u>	<u>193,602</u>
<b>Net book value</b>					
At 30 September 2019	<u>7,041</u>	<u>54,523</u>	<u>2,622</u>	<u>30,331</u>	<u>94,517</u>
At 30 September 2018	<u>8,284</u>	<u>42,123</u>	<u>3,497</u>	<u>23,425</u>	<u>77,329</u>

#### 6. Debtors

	2019 £	2018 £
Trade debtors	105,645	131,975
Other debtors	18,515	17,167
Prepayments and accrued income	13,458	9,576
Amounts unbilled to clients	277,000	277,000
	<u>414,618</u>	<u>435,718</u>

#### 7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	301	300
Less: bank overdrafts	(74,187)	(67,312)
	<u>(73,886)</u>	<u>(67,012)</u>

## RH & RW Clutton LLP

### Notes to the financial statements for the year ended 30 September 2019

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

	2019 £	2018 £
Bank overdrafts	74,187	67,312
Bank loans	5,556	33,254
Trade creditors	73,275	55,926
Income tax	8,223	30,317
Other taxation and social security	97,302	97,341
Obligations under finance lease and hire purchase contracts	13,064	19,912
Other creditors	76,700	64,156
Accruals and deferred income	29,875	38,558
	<b>378,182</b>	<b>406,776</b>

#### 9. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	-	5,635
Net obligations under finance leases and hire purchase contracts	45,794	18,642
	<b>45,794</b>	<b>24,277</b>

#### 10. Loans

Analysis of the maturity of loans is given below:

	2019 £	2018 £
<b>Amounts falling due within one year</b>		
Bank loans	5,556	33,254
	<b>5,556</b>	<b>33,254</b>
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	5,635
	-	5,635
	<b>5,556</b>	<b>38,889</b>

The bank loan is secured by a debenture over the assets of the LLP, a guarantee of £50,000 provided by G Back and A Barton and a guarantee of £150,000 provided by the Department of Trade & Industry.