

Limited Liability Partnership Registration No. OC341786 (England and Wales)

Kingston Smith Consulting LLP

Members' Report and Financial Statements

For the year ended 30 April 2016

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COMPANIES HOUSE

Kingston Smith Consulting LLP

Limited Liability Partnership information

Designated members A. J. Houstoun
M. A. Muirhead

Limited liability partnership number OC341786

Registered office Devonshire House
60 Goswell Road
London
EC1M 7AD

Auditor Price Bailey LLP
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Kingston Smith Consulting LLP

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Kingston Smith Consulting LLP

Members' report

For the year ended 30 April 2016

The members present their annual report and financial statements for the year ended 30 April 2016.

Principal activities

The LLP sold its business to a third party on 14 March 2016 whereupon the LLP ceased to trade. The LLP is exploring opportunities for establishing new business services but as at the date of this report it is not trading.

Designated members

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

Sir M.J. Snyder	(Resigned 19 August 2016)
N. D. Alford	(Resigned 15 March 2016)
M. R. Child	(Resigned 15 March 2016)
A. J. Houstoun	
M. A. Muirhead	
J.I. Walsh	(Resigned 19 August 2016)

Policy on members' drawings

The members' drawings policy allows members to draw a proportion of their profit share, net of a tax retention, in monthly instalments. Additionally the policy allows each capital member to draw monies surplus to requirements of the business on a quarterly basis in profit share proportion. All payments are made subject to the cash requirements of the business. Tax retentions are paid to HM Revenue & Customs on behalf of the members with any excess being released to the members as appropriate.

Members are required to contribute a proportion of the funds required to finance working capital as fixed loans. These funding requirements are determined by the members.

Other than in exceptional circumstances members' fixed loans are repaid only on or after retirement. In accordance with FRS102 members' capital is categorised as loans and other debts due to members.

Kingston Smith Consulting LLP

Members' report (Continued)

For the year ended 30 April 2016

Statement of members' responsibilities

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

As explained in note 1.2 to the financial statements the members do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

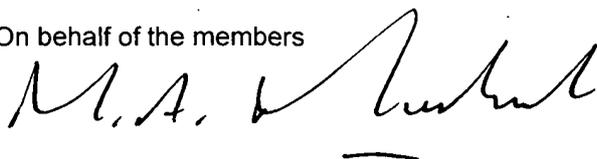
Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditor is unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the limited liability partnership's auditor is aware of that information.

Auditor

The auditor, Price Bailey LLP, is deemed to be re-appointed under section 487(2) of the Companies Act 2006 (as applied to limited liability partnerships).

On behalf of the members



M. A. Muirhead
Designated Member

27 January 2017

Kingston Smith Consulting LLP

Independent auditor's report

to the members' of Kingston Smith Consulting LLP

We have audited the financial statements of Kingston Smith Consulting LLP for the year ended 30 April 2016 which comprise the Income Statement, the Statement of Financial Position, the Reconciliation of Members' Interests and the related notes. These financial statements have been prepared under the accounting policies therein. As described in note 1.2 they have not been prepared on a going concern basis. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.'

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability 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 limited liability partnership and the limited liability 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 auditor

As explained more fully in the Members' Responsibilities Statement set out on page 2, 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 Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 April 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Kingston Smith Consulting LLP

Independent auditor's report (Continued)

to the members' of Kingston Smith Consulting LLP

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 2006 as applied to limited liability 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.



Martin Clapson FCA (Senior Statutory Auditor)
for and on behalf of Price Bailey LLP

30 January 2017

Chartered Accountants
Statutory Auditor

Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Kingston Smith Consulting LLP

Income statement

For the year ended 30 April 2016

	Notes	2016 £	2015 £
Fee income - discontinued	3	939,396	1,148,629
Cost of sales		(334,744)	(375,248)
Gross profit		604,652	773,381
Administrative expenses		(728,057)	(696,838)
Other operating income	5	600,000	-
Operating profit	4	476,595	76,543
Other interest receivable and similar income	6	-	52,823
Profit for the financial year before members' remuneration and profit shares		476,595	129,366
Profit for the financial year before members' remuneration and profit shares		476,595	129,366
Members' remuneration charged as an expense	13	(476,595)	(129,366)
Profit for the financial year available for discretionary division among members		-	-

The LLP has taken advantage of FRS 102 section 3 paragraph 3.19 to present only an income statement as it has no items of other comprehensive income.

Kingston Smith Consulting LLP

Statement of financial position

As at 30 April 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	8		-		2,438
Current assets					
Debtors	9	578,053		1,437,174	
Cash at bank and in hand		230,643		25,244	
		<u>808,696</u>		<u>1,462,418</u>	
Creditors: amounts falling due within one year	10	<u>(453,776)</u>		<u>(897,415)</u>	
Net current assets			<u>354,920</u>		<u>565,003</u>
Net assets attributable to members			<u>354,920</u>		<u>567,441</u>
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability			75,000		100,000
Other amounts			279,920		467,441
			<u>354,920</u>		<u>567,441</u>
Total members' interests					
Amounts due from members			(295,759)		(943,713)
Loans and other debts due to members			279,920		467,441
Members' other interests			75,000		100,000
			<u>59,161</u>		<u>(376,272)</u>

The financial statements were approved by the members and authorised for issue on 27 January 2017 and are signed on their behalf by:



M. A. Muirhead
Designated member

Limited Liability Partnership Registration No. OC341786

Kingston Smith Consulting LLP

Reconciliation of Members' Interests

For the year ended 30 April 2016

Current financial year

	Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital (classified as debt)	Other amounts	Total 2016
	£	£	£
Amount due to members		467,441	
Amount due from members		(943,713)	
Members' interests at 1 May 2015	100,000	(476,272)	(376,272)
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	476,595	476,595
Members' interests after profit and remuneration for the year	100,000	323	100,323
Transfer	(25,000)	25,000	-
Drawings	-	(72,662)	(72,662)
Repayments of loans by members	-	31,500	31,500
Members' interests at 30 April 2016	75,000	(15,839)	59,161
Amounts due to members		279,920	
Amounts due from members, included in debtors		(295,759)	
		(15,839)	

Kingston Smith Consulting LLP

Reconciliation of Members' Interests (Continued)

For the year ended 30 April 2016

Prior financial year

	Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital (classified as debt)	Other amounts	Total 2015
	£	£	£
Amount due to members		480,340	
Amount due from members		(932,889)	
Members' interests at 1 May 2014	100,000	(452,549)	(352,549)
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	129,366	129,366
Members' interests after profit and remuneration for the year	100,000	(323,183)	(223,183)
Drawings	-	(153,089)	(153,089)
Members' interests at 30 April 2015	100,000	(476,272)	(376,272)
Amounts due to members		467,441	
Amounts due from members, included in debtors		(943,713)	
		(476,272)	

Kingston Smith Consulting LLP

Notes to the financial statements

For the year ended 30 April 2016

1 Accounting policies

Limited liability partnership information

Kingston Smith Consulting LLP is a limited liability partnership domiciled and incorporated in England and Wales. The registered office is Devonshire House, 60 Goswell Road, London, EC1M 7AD.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applied by Limited Liability Partnerships and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships issued in July 2014.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest pound.

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

These financial statements for the year ended 30 April 2016 are the first financial statements of Kingston Smith Consulting LLP prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 May 2014.

The transition to FRS 102 has had no effect on the reported financial position and financial performance.

1.2 Going concern

The LLP sold its business to a third party on 14 March 2016, whereupon it ceased to trade but has been engaged in seeking to collect outstanding debtors and pay its liabilities. Whilst the members are actively exploring opportunities to establish new business services, at the date of signing these accounts the LLP is not trading. This requires a basis other than the going concern basis to be used in the preparation of the financial statements. The financial statements have therefore been prepared on a break up basis. No amendments are considered necessary in the financial statements following the change of basis.

1.3 Exemptions for qualifying entities under FRS 102

The LLP has taken advantage of the following exemptions under the provisions of FRS 102:

- (i) The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17 (d) to prepare a statement of cash flows on the basis that the LLP is a qualifying entity and the LLP's ultimate parent, Kingston Smith LLP, includes the LLP's cash flows in its consolidated financial statements;
- (ii) The requirements of Section 11 paragraphs 11.39 to 11.48(a) and Section 12 paragraphs 12.26 to 12.29A, regarding disclosures for financial liabilities and assets, as the equivalent disclosures required by FRS 102 are included in the consolidated financial statements of the group in which the entity is consolidated; and
- (iii) From disclosing the LLP key management personnel compensation, as required by paragraph 33.7.

Kingston Smith Consulting LLP

Notes to the financial statements (Continued)

For the year ended 30 April 2016

1 Accounting policies

(Continued)

1.4 Turnover

Fees represent the amounts including recoverable expenses receivable for services rendered during the year, net of value added tax.

Fees are recognised when the right to consideration has arisen through the performance under each assignment undertaken. Consideration accrues as the assignment progresses by reference to the value of the work performed. Fees are not recognised where the right to receive payment is contingent on events outside the control of the entity.

Fees which had not been invoiced at the balance sheet date are shown as unbilled debtors.

1.5 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% straight line
Computer equipment	33% straight line

1.6 Cash and cash equivalents

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

1.7 Financial instruments

Basic financial instruments are measured at amortised cost. The Limited Liability Partnership has no other financial instruments or basic financial instruments measured at fair value.

Section 11 of FRS 102 requires long term loans at a zero or below market rate of interest to be treated as financing transactions and discounted using a market rate of interest on a similar loan, with the difference arising on discounting being treated as a finance charge or finance income and charged or credited to profit or loss over the term of the loan. Such loans have not been discounted where the effect of discounting is not material.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unpaid holiday entitlement is recognised in the period in which the employee's services are received.

1.9 Retirement benefits

The Limited Liability Partnership operates a defined contribution scheme for the benefit of its employees. The funds of the scheme are administered by trustees and are separate from the Limited Liability Partnership. Staff pension costs relating to the defined contribution scheme are charged to the profit and loss account as incurred.

1.10 Taxation

The taxation payable on the results is the personal liability of the members during the year. A retention from profit is made to fund payments of taxation on behalf of members and is included within members' interests.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Kingston Smith Consulting LLP

Notes to the financial statements (Continued)

For the year ended 30 April 2016

2 Judgements and key sources of estimation uncertainty

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

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

There are no critical accounting estimates or judgements applied by the members which have a significant impact on the amounts disclosed in the financial statements.

3 Turnover

Turnover is attributable to the one principal activity which originated wholly in the United Kingdom. 1.83% of turnover consisted of services provided to a client based in the United States of America and 0.75% of turnover was to a client in Europe.

4 Operating profit

	2016	2015
	£	£
Operating profit for the year is stated after charging/(crediting):		
Loss/(profit) on foreign exchange transactions	205	(9,813)
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	2,000	1,500
Depreciation of tangible assets	1,032	1,327
Loss on disposal of tangible fixed assets	1,166	-
Exceptional item - recovery of legal costs incurred in collecting former partner debt	-	86,562
Exceptional item - gain on sale of business (note 5)	(600,000)	-
	<u> </u>	<u> </u>

5 Other operating income

	2016	2015
	£	£
Gain on sale of business	600,000	-
	<u> </u>	<u> </u>

On 14 March 2016 the LLP sold its business to a third party for £600,000.

6 Interest receivable and similar income

	2016	2015
	£	£
Interest received on former partner debt	-	52,823
	<u> </u>	<u> </u>

Kingston Smith Consulting LLP

Notes to the financial statements (Continued)

For the year ended 30 April 2016

7 Employees

Number of employees

The average number of persons employed during the year was 6 (2015:7)

	2016 Number	2015 Number
Professional staff	5	6
Support staff	1	1
	<u>6</u>	<u>7</u>
	<u><u>6</u></u>	<u><u>7</u></u>

Professional and support staff are employed by Kingston Smith Group Services Limited, part of the Kingston Smith Group. The amounts recharged by Kingston Smith Group Services Limited to this LLP are as follows:

Employment costs	2016 £	2015 £
Wages and salaries	493,396	545,142
Social security costs	51,953	60,567
Pension costs	23,240	24,368
	<u>568,589</u>	<u>630,077</u>
	<u><u>568,589</u></u>	<u><u>630,077</u></u>

Kingston Smith Consulting LLP

Notes to the financial statements (Continued)

For the year ended 30 April 2016

8 Tangible fixed assets

	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost			
At 1 May 2015	4,086	11,133	15,219
Disposals	(4,086)	(11,133)	(15,219)
At 30 April 2016	-	-	-
Depreciation			
At 1 May 2015	3,647	9,134	12,781
Depreciation charged in the year	199	833	1,032
Disposals	(3,846)	(9,967)	(13,813)
At 30 April 2016	-	-	-
Net book value			
At 30 April 2016	-	-	-
At 30 April 2015	439	1,999	2,438

9 Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	260,681	83,193
Unbilled debtors	19,475	74,000
Amounts due from members	295,759	943,713
Prepayments and accrued income	2,138	336,268
	578,053	1,437,174

Amounts due from members includes £178,612 (2015:£nil) due after more than one year.

10 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	65,746	13,698
Other taxation and social security	22,610	-
Amounts owed to ultimate parent undertaking	349,345	837,444
Amounts due to related party	13,201	42,200
Accruals and deferred income	2,874	4,073
	453,776	897,415

Kingston Smith Consulting LLP

Notes to the financial statements (Continued)

For the year ended 30 April 2016

11 Pension

	2016 £	2015 £
Contributions payable by the LLP for the year	23,240	24,368

Pension payments outstanding at the year end amounted to £nil (2015: £nil).

12 Loans and other debts due to members

	2016 £	2015 £
Analysis of loans		
Loans from members	75,000	100,000
Amounts owed to members in respect of profits	279,920	467,441

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

Loans and other debts due to members are due within one year.

13 Information in relation to members

	2016 Number	2015 Number
The average number of members during the year was	51	54

	2016 £	2015 £
Remuneration to members charged as an expense	476,595	129,366

The profit which is attributable to the member with the largest entitlement is £282,063 (2015 - £71,278).

Kingston Smith Consulting LLP

Notes to the financial statements (Continued)

For the year ended 30 April 2016

14 Related party transactions

At 30 April 2016, there were 51 (2015 - 54) members of Kingston Smith Consulting LLP of which 49 (2015 - 52) were partners in Kingston Smith LLP which is the ultimate controlling party.

Kingston Smith LLP charged Kingston Smith Consulting LLP an administration fee of £23,740 (2015 - £37,657) in the year for the provision of accounting, personnel, IT, marketing and facilities management services.

In addition to those services, Kingston Smith LLP provides office accommodation and ancillary facilities to Kingston Smith Consulting LLP. The fee for 2016 was £53,650 (2015 - £56,686).

The balance due to Kingston Smith LLP at 30 April 2016 was £349,345 (2015 - £837,444).

Kingston Smith Group Services Limited is a 100% owned subsidiary of Kingston Smith LLP. During the year Kingston Smith Group Services Limited charged Kingston Smith Consulting LLP £589,316 which includes the staff costs as set out on note 7, (2015 - £651,227) for the provision of staff and related costs. The balance due to Kingston Smith Group Services Limited at 30 April 2016 was £13,201 (2015 - £42,200).