
Sorbus Partners LLP

Annual Report and Financial Statements

For the year ended 5 April 2014

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Sorbus Partners LLP

Contents

	Page
Information	I
Members' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 - 13

Sorbus Partners LLP

Information

Designated Members

M W Thowless-Reeves
T A J Hall (resigned 30 June 2014)
R W Farmiloe (appointed 1 July 2014)

LLP registered number

OC378465

Registered office

15 Mill Street
Stafford
Staffordshire
ST16 2AJ

Independent auditors

Hurst & Company Accountants LLP
Chartered Accountants
Lancashire Gate
Tiviot Dale
Stockport
Cheshire
SK1 1TD

Sorbus Partners LLP

Members' Report For the year ended 5 April 2014

The members present their annual report together with the audited financial statements of Sorbus Partners LLP (the LLP) for the ended 5 April 2014.

Principal activities and business review

The principal activity of the LLP is the provision of independent personal financial analysis, advice and service.

SORBUS PARTNERS LLP was formed on the 17th September 2012. Our objective is to build and grow a multi-family office to serve the needs of wealthy individuals and families.

Establishing a Financial Conduct Authority (FCA) regulated business and the entire operational infrastructure from scratch is of course a significant undertaking and the prior year's results demonstrated significant progress in this regard.

Our operational objective for the last year was to expand our client list. We have had some success in this regard particularly as the year progressed and our prospecting momentum has never been higher.

Aiding this has been the increase in headcount including a new Partner level hire and from the greater establishment of SORBUS as a business and as a brand.

SORBUS' arrival was recognised last year with the award of Best Wealth Management newcomer in Europe 2013, this year we have gone one better winning best in class across Europe.

People who know how financial services work, understand and respect how SORBUS is structured and operates. We do things differently. We blend cutting edge technology and investment expertise with an old-fashioned passion for our clients' best interests. Our purpose is to give clients trust and confidence in the stewardship of their wealth and the judging panel noted that in this regard SORBUS is a "very effective organisation".

On a financial level we knew at the close of the prior year that "our costs are largely fixed at this stage but with the increase in the base cost level reflecting our advisory board and offices we would expect stable margins in 2014 with profit growth in line with revenue growth". These results reflect this outcome.

For 2015 we would expect the revenue growth to remain robust and to outpace that of our costs, despite having a pipeline of recruitment (Partner level, Advisory board and support staff) and expansion in place. We look forward to the coming year with confidence.

Designated Members

M W Thowless-Reeves and T A J Hall were designated members of the LLP throughout the period.

On 30 June 2014 T A J Hall resigned as a designated member of the LLP.

On 1 July 2014 R W Farmiloe was appointed a designated member of the LLP.

Sorbus Partners LLP

Members' Report (continued) For the year ended 5 April 2014

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Details of changes in members' capital in the ended 5 April 2014 are set out in the financial statements.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

Members' responsibilities statement

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law, as applied to LLPs, 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 to LLPs, 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 LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 LLP will continue in business.

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

This report was approved by the members on 24 July 2014 and signed on their behalf by:



.....
M W Thowless-Reeves
Designated member

Independent Auditors' Report to the Members of Sorbus Partners LLP

We have audited the financial statements of Sorbus Partners LLP for the year ended 5 April 2014, set out on pages 6 to 13. 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).

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of 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 LLP's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members 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 Members' responsibilities statement, 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 LLP'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 LLP's affairs as at 5 April 2014 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.

Sorbus Partners LLP

Independent Auditors' Report to the Members of Sorbus Partners 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.

Hurst & Company Accountants LLP

Helen Besant Roberts (Senior statutory auditor)
for and on behalf of

Hurst & Company Accountants LLP

Chartered Accountants

Statutory Auditors

Lancashire Gate

Tiviot Dale

Stockport

Cheshire

SKI LTD

25 July 2014

Sorbus Partners LLP

**Profit and Loss Account
For the year ended 5 April 2014**

	Note	2014 £	2013 £
Turnover	1,2	181,141	44,026
Administrative expenses		(92,500)	(32,967)
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		88,641	11,059

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 9 to 13 form part of these financial statements.

Sorbus Partners LLP
Registered number: OC378465

Balance Sheet
As at 5 April 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	7		2,763		2,942
Current assets					
Debtors	8	23,028		51,202	
Cash at bank		254,150		192,585	
		<u>277,178</u>		<u>243,787</u>	
Creditors: amounts falling due within one year	9	<u>(10,061)</u>		<u>(5,706)</u>	
Net current assets			<u>267,117</u>		<u>238,081</u>
Net assets attributable to members			<u>269,880</u>		<u>241,023</u>
Represented by:					
Loans and other debts due to members within one year					
Other amounts			269,880		241,023
			<u>269,880</u>		<u>241,023</u>
Total members' interests					
Loans and other debts due to members			<u>269,880</u>		<u>241,023</u>

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



M W Thowless-Reeves
Designated member

Date: 24 July 2014

The notes on pages 9 to 13 form part of these financial statements.

Sorbus Partners LLP

**Cash Flow Statement
For the year ended 5 April 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	13	122,746	(34,049)
Capital expenditure and financial investment	14	(1,397)	(3,330)
Net cash flow from transactions with members	14	(59,784)	229,964
Increase in cash in the year		61,565	192,585

**Reconciliation of Net Cash Flow to Movement in Net Funds/Debt
For the year ended 5 April 2014**

	2014 £	2013 £
Increase in cash in the year	61,565	192,585
Cash outflow from decrease in debt and lease financing	59,784	-
Change in net debt resulting from cash flows	121,349	192,585
Other non-cash changes	(88,641)	-
Movement in net debt in the year	32,708	192,585
Net debt at 6 April 2013	(48,438)	(241,023)
Net debt at 5 April 2014	(15,730)	(48,438)

The notes on pages 9 to 13 form part of these financial statements.

Sorbus Partners LLP

Notes to the Financial Statements For the year ended 5 April 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

1.2 Turnover

Turnover comprises revenue recognised by the LLP in respect of services supplied during the year, exclusive of Value Added Tax.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment - 33% straight line

2. Turnover

The whole of the turnover is attributable to the LLP's principal activity.

All turnover arose within the United Kingdom.

3. Profit

The profit is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the LLP	1,576	388
Operating lease rentals - land and buildings	3,150	-
	<u>4,726</u>	<u>388</u>

4. Auditors' remuneration

	2014 £	2013 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual accounts	2,350	2,350
	<u>2,350</u>	<u>2,350</u>

5. Staff costs

The entity had no employees other than the members, who did not receive any remuneration (2013 - £NIL).

Sorbus Partners LLP

**Notes to the Financial Statements
For the year ended 5 April 2014**

6. Information in relation to members

	2014	2013
	Number	Number
The average number of members during the year was	<u>2</u>	<u>2</u>

7. Tangible fixed assets

	Computer equipment £
Cost	
At 6 April 2013	3,330
Additions	1,397
At 5 April 2014	<u>4,727</u>
Depreciation	
At 6 April 2013	388
Charge for the year	1,576
At 5 April 2014	<u>1,964</u>
Net book value	
At 5 April 2014	<u>2,763</u>
At 5 April 2013	<u>2,942</u>

8. Debtors

	2014	2013
	£	£
Trade debtors	13,203	43,062
Prepayments and accrued income	9,825	8,140
	<u>23,028</u>	<u>51,202</u>

**9. Creditors:
Amounts falling due within one year**

	2014	2013
	£	£
Other taxation and social security	8,061	2,706
Accruals and deferred income	2,000	3,000
	<u>10,061</u>	<u>5,706</u>

Sorbus Partners LLP

Notes to the Financial Statements For the year ended 5 April 2014

10. Loans and other debts due to members

	2014 £	2013 £
Amounts due to members	<u>269,880</u>	<u>241,023</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

11. Reconciliation of members' interests

	Other reserves £	Loans and debts due to members less any amounts due from members in debtors £
Amounts due to members b/fwd		241,023
Amounts due from members b/fwd		-
Members' interests: balance at 6 April 2013	-	241,023
Profit for the year available for discretionary division among members	88,641	-
Members' interests after profit for the year	88,641	241,023
Allocated profit for period	(88,641)	88,641
Amounts withdrawn by members	-	(59,784)
Members' interests at 5 April 2014	<u>-</u>	<u>269,880</u>
Amounts due to members		269,880
Amounts due from members		-
		<u>269,880</u>

12. Partners' Current Accounts

	Opening balance £	Transferred in £	Share of Profits £	Partner expenses £	Drawings £	Closing Balance £
M Thowless- Reeves	124,515	-	44,321	(11,800)	(22,061)	134,975
T Hall	116,508	-	44,320	(2,832)	(23,091)	134,905
Total	<u>241,023</u>	<u>-</u>	<u>88,641</u>	<u>(14,632)</u>	<u>(45,152)</u>	<u>269,880</u>

Sorbus Partners LLP

**Notes to the Financial Statements
For the year ended 5 April 2014**

13. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	88,641	11,059
Depreciation of tangible fixed assets	1,576	388
Decrease/(increase) in debtors	28,175	(51,203)
Increase in creditors	4,354	5,707
Net cash inflow/(outflow) from operating activities	122,746	(34,049)

14. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,397)	(3,330)

	2014 £	2013 £
Transactions with members		
Payments to members	(59,784)	-
Contributions by members	-	229,964
Net cash (outflow)/inflow from transactions with members	(59,784)	229,964

Analysed as follows:

Net transactions with members relating to equity	-	229,964
Net transactions with members relating to debt	(59,784)	-
	(59,784)	229,964

Sorbus Partners LLP

**Notes to the Financial Statements
For the year ended 5 April 2014**

15. Analysis of changes in net debt

	6 April 2013	Cash flow	Other non-cash changes	5 April 2014
	£	£	£	£
Cash at bank and in hand	192,585	61,565	-	254,150
Debt:				
Loans and other debts due to members	(241,023)	59,784	(88,641)	(269,880)
Net debt	<u>(48,438)</u>	<u>121,349</u>	<u>(88,641)</u>	<u>(15,730)</u>

16. Operating lease commitments

At 5 April 2014 the LLP had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2014	2013	2014	Other 2013
	£	£	£	£
Expiry date:				
Between 2 and 5 years	<u>5,400</u>	<u>-</u>	<u>-</u>	<u>-</u>