

REGISTERED NUMBER: SO300110

Invercowie LLP
Filleted Unaudited Financial Statements
30 June 2017



CHD ASSOCIATES LLP

Chartered Accountants
2nd Floor
The Royals
Altrincham Road
Manchester
M22 4BJ

Invercowie LLP
Financial Statements
Year ended 30 June 2017

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Invercowie LLP

Members' Report

Year ended 30 June 2017

The members present their report and the unaudited financial statements of the LLP for the year ended 30 June 2017.

Principal activities

The principal activity during the year was the purchase and provision of office accommodation.

The results for the period are shown in the annexed financial statements

Designated members

The designated members who served the LLP during the year were as follows:

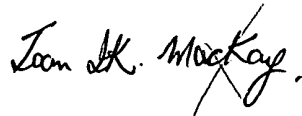
Mrs J I K Mackay
Mr A N Mackay

Policy regarding members' drawings and the subscription and repayment of amounts subscribed or otherwise contributed by members

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members.

This report was approved by the members on 15 September 2017 and signed on behalf of the members by:



Mrs J I K Mackay
Designated Member

Registered office:
Tanera Breachloch
Culbokie
Dingwall
Ross0shire
IV7 8GY

Invercowie LLP

Chartered Accountants Report to the Members on the Preparation of the Unaudited Statutory Financial Statements of Invercowie LLP

Year ended 30 June 2017

In order to assist you to fulfil your duties under 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, we have prepared for your approval the financial statements of Invercowie LLP for the year ended 30 June 2017, which comprise the statement of financial position, reconciliation of members' interests 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 www.icaew.com/en/membership/regulations-standards-and-guidance.

This report is made solely to the members of Invercowie LLP, as a body, in accordance with the terms of our engagement letter dated 14 April 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Invercowie LLP and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at www.icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Invercowie LLP and its members, as a body, for our work or for this report.

It is your duty to ensure that Invercowie 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 loss of Invercowie LLP. You consider that Invercowie LLP is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Invercowie 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.

CHD Associates LLP

CHD ASSOCIATES LLP
Chartered Accountants

2nd Floor
The Royals
Altrincham Road
Manchester
M22 4BJ

Invercowie LLP
Statement of Financial Position
30 June 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	75,000	98,177
Current assets			
Debtors	6	60,039	33,199
Cash at bank and in hand		59	3,912
		<u>60,098</u>	<u>37,111</u>
Creditors: amounts falling due within one year	7	<u>600</u>	<u>600</u>
Net current liabilities		(59,498)	(36,511)
Total assets less current liabilities		134,498	134,688
Creditors: amounts falling due after more than one year	8	53,998	54,188
Net assets		<u>80,500</u>	<u>80,500</u>
Represented by:			
Loans and other debts due to members			
Other amounts	9	<u>80,500</u>	<u>80,500</u>
Members' other interests			
Other reserves		<u>—</u>	<u>—</u>
		<u>80,500</u>	<u>80,500</u>
Total members' interests			
Amounts due from members		(69,251)	(42,411)
Loans and other debts due to members	9	80,500	80,500
Members' other interests		<u>—</u>	<u>—</u>
		<u>11,249</u>	<u>38,089</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to LLPs subject to the small LLPs' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006 (as applied to LLPs), the statement of comprehensive income has not been delivered.

The statement of financial position
continues on the following page.
The notes on pages 7 to 11 form part of these financial statements.

Invercowie LLP

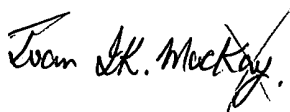
Statement of Financial Position *(continued)*

30 June 2017

For the year ending 30 June 2017 the LLP 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 LLPs. The members have not required the LLP to obtain an audit of its financial statements in accordance with section 476.

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to LLPs) with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the members and authorised for issue on 15 September 2017, and are signed on their behalf by:



Mrs J I K Mackay
Designated Member

Registered number: SO300110

The notes on pages 7 to 11 form part of these financial statements.

Invercowie LLP

Reconciliation of Members' Interests

Year ended 30 June 2017

	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 £
Amounts due to members			80,500	80,500	
Amounts due from members			(42,411)	(42,411)	
Balance at 1 July 2016	—	—	38,089	38,089	38,089
Members remuneration charged as an expense			69	69	69
Loss for the financial year available for discretionary division among members	(26,909)	(26,909)			(26,909)
Members' interests after loss for the year	(26,909)	(26,909)	38,158	38,158	11,249
Other division of profits	26,909	26,909	(26,909)	(26,909)	—
Amounts due to members			80,500	80,500	
Amounts due from members			(69,251)	(69,251)	
Balance at 30 June 2017	—	—	11,249	11,249	11,249

The reconciliation of members' interests continues on the following page.

The notes on pages 7 to 11 form part of these financial statements.

Invercowie LLP

Reconciliation of Members' Interests *(continued)*

Year ended 30 June 2017

	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_2016
	£	£	£	£	£
Amounts due to members			80,500	80,500	
Amounts due from members			(46,108)	(46,108)	
Balance at 1 July 2015	—	—	34,392	34,392	34,392
Members remuneration charged as an expense			3,696	3,696	3,696
Loss for the financial year available for discretionary division among members	1	1			1
Members' interests after loss for the year	1	1	38,088	38,088	38,089
Other division of profits	(1)	(1)	1	1	—
Amounts due to members			80,500	80,500	
Amounts due from members			(42,411)	(42,411)	
Balance at 30 June 2016	—	—	38,089	38,089	38,089

The notes on pages 7 to 11 form part of these financial statements.

Invercowie LLP
Notes to the Financial Statements
Year ended 30 June 2017

1. General information

The LLP is registered in Scotland.

The address of the registered office is Tanera Breachloch, Culbokie, Dingwall, Ross0shire, IV7 8GY.

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 on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

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).

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.

Invercowie LLP

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Members' participation rights *(continued)*

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 statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

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 statement of comprehensive income and are equity appropriations in the statement of financial position.

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 statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant & machinery	- 25% straight line
Fixtures & fittings	- 25% straight line

Invercowie LLP

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure.

Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the LLP are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the LLP becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Invercowie LLP

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

3. Accounting policies *(continued)*

Financial instruments *(continued)*

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Employee numbers

The average number of persons employed by the LLP during the year, including the members with contracts of employment, amounted to 2 (2016: 2).

5. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 July 2016	98,177	9,551	2,158	109,886
Revaluations	(23,177)	—	—	(23,177)
At 30 June 2017	<u>75,000</u>	<u>9,551</u>	<u>2,158</u>	<u>86,709</u>
Depreciation				
At 1 July 2016 and 30 June 2017	—	9,551	2,158	11,709
Carrying amount				
At 30 June 2017	<u>75,000</u>	<u>—</u>	<u>—</u>	<u>75,000</u>
At 30 June 2016	<u>98,177</u>	<u>—</u>	<u>—</u>	<u>98,177</u>

The value of the investment property as at 30 June 2017 was assessed by the members to be £75,000.

6. Debtors

	2017 £	2016 £
Other debtors	<u>60,039</u>	<u>33,199</u>

Invercowie LLP

Notes to the Financial Statements *(continued)*

Year ended 30 June 2017

7. Creditors: amounts falling due within one year

	2017	2016
	£	£
Other creditors	<u>600</u>	<u>600</u>

8. Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Bank loans and overdrafts	<u>53,998</u>	<u>54,188</u>

The bank loan for £60,000 is secured by a mortgage over the property, office premises at Muirskie Grange. A second loan for £23,000 by Mr & Mrs Mackay to the LLP is secured by a 2nd charge over the office premises.

9. Loans and other debts due to members

	2017	2016
	£	£
Loans from members	<u>80,500</u>	<u>80,500</u>

Apart from £23,000 secured, loans due to members rank as unsecured creditors.

10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The LLP transitioned to FRS 102 on 1 July 2015.

No transitional adjustments were required in equity or profit or loss for the year.