

Limited Liability Partnership Registration No. SO301299 (Scotland)

3BS (Scotland) LLP

Members' report and unaudited financial statements

for the year ended 30 November 2015



3BS (Scotland) LLP

Limited Liability Partnership information

| | |
|------------------------------|--|
| Designated members | JM Bennett GP Brewster |
| LLP registered number | SO301299 |
| Registered office | 13 Albert Square Dundee DD1 1XA |
| Accountants | Henderson Loggie The Vision Building 20 Greenmarket Dundee Scotland DD1 4QB |
| Bankers | Royal Bank of Scotland 3 High Street Dundee DD1 9LY |

3BS (Scotland) LLP

Contents

| | Page |
|-----------------------------------|--------|
| Members' report | 1 |
| Accountants' report | 2 |
| Profit and loss account | 3 |
| Balance sheet | 4 - 5 |
| Notes to the financial statements | 6 - 11 |

3BS (Scotland) LLP

Members' report

for the year ended 30 November 2015

The members present their report and financial statements for the year ended 30 November 2015.

Principal activities

The principal activity of the limited liability partnership continued to be that of property rental.

Designated Members

The following designated members have held office since 1 December 2014:

JM Bennett
GP Brewster

Policy on members' drawings

The members subscribed equally the firm's capital and participate equally in the firm's profits and losses and share the risks.

Each member shall contribute further capital equally which the members determine as being required for the purposes of the LLP. Each member may draw on account of his share of profits such sums and as at such dates as the members may determine.

On behalf of the members


JM Bennett
Designated Member

26 April 2016

3BS (Scotland) LLP

Chartered Accountants' report to the members on the preparation of the unaudited statutory financial statements of 3BS (Scotland) LLP for the year ended 30 November 2015

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 3BS (Scotland) LLP for the year ended 30 November 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the limited liability partnership's accounting records and from information and explanations you have given us.

As a practising member firm of The Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.org.uk/accountspreparationguidance>.

This report is made solely to the limited liability partnership's members of 3BS (Scotland) LLP, as a body, in accordance with the terms of our engagement letter dated 15 February 2016. Our work has been undertaken solely to prepare for your approval the financial statements of 3BS (Scotland) LLP and state those matters that we have agreed to state to the limited liability partnership's members of 3BS (Scotland) LLP, as a body, in this report in accordance with the requirements of The Institute of Chartered Accountants of Scotland as detailed at <http://www.icas.org.uk/accounts>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than 3BS (Scotland) LLP and its members as a body, for our work or for this report.

It is your duty to ensure that 3BS (Scotland) 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 3BS (Scotland) LLP. You consider that 3BS (Scotland) 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 3BS (Scotland) 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.

Henderson Loggie

Henderson Loggie

26 April 2016

Chartered Accountants

The Vision Building
20 Greenmarket
Dundee
Scotland
DD1 4QB

3BS (Scotland) LLP

Profit and loss account

for the year ended 30 November 2015

| | Notes | 2015 £ | 2014 £ |
|--|-------|----------------|----------------|
| Turnover | | 172,217 | 266,293 |
| Cost of sales | | (31,565) | (21,574) |
| Gross profit | | 140,652 | 244,719 |
| Administrative expenses | | (2,653) | (8,487) |
| Operating profit | | 137,999 | 236,232 |
| Gain on disposal of assets | | 319,995 | 14,353 |
| Profit on ordinary activities before interest | | 457,994 | 250,585 |
| Other interest receivable and similar income | 2 | 291 | 56 |
| Interest payable and similar charges | | (870) | (4,902) |
| Profit for the financial year before members' remuneration and profit shares | | 457,415 | 245,739 |
| Profit for the financial year before members' remuneration and profit shares | | 457,415 | 245,739 |
| Members' remuneration charged as an expense | 8 | (457,415) | (245,739) |
| Retained profit for the financial year available for discretionary division among members | | - | - |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

3BS (Scotland) LLP**Balance sheet****as at 30 November 2015**

| | Notes | 2015 £ | £ | 2014 £ | £ |
|---|-------|-------------------------|---|-------------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 3 | 2,979,100 | | 3,181,191 | |
| Current assets | | | | | |
| Debtors | 4 | 44,991 | | 33,070 | |
| Cash at bank and in hand | | 654,480 | | 125,923 | |
| | | <u>699,471</u> | | <u>158,993</u> | |
| Creditors: amounts falling due within one year | 5 | (400,072) | | (474,337) | |
| Net current assets/(liabilities) | | <u>299,399</u> | | <u>(315,344)</u> | |
| Total assets less current liabilities | | <u>3,278,499</u> | | <u>2,865,847</u> | |
| Creditors: amounts falling due after more than one year | 6 | - | | (44,787) | |
| Net assets attributable to members | | <u><u>3,278,499</u></u> | | <u><u>2,821,060</u></u> | |
| Represented by: | | | | | |
| Loans and other debts due to members within one year | | | | | |
| Other amounts | 7 | 2,308,887 | | 1,795,605 | |
| | | <u>2,308,887</u> | | <u>1,795,605</u> | |
| Members' other interests: | | | | | |
| Revaluation reserve | 7 | 249,778 | | 305,645 | |
| Members capital | 7 | 719,834 | | 719,810 | |
| | | <u>3,278,499</u> | | <u>2,821,060</u> | |
| Total members' interests | | | | | |
| Loans and other debts due to members | 7 | 2,308,887 | | 1,795,605 | |
| Members' other interests | 7 | 969,612 | | 1,025,455 | |
| | | <u><u>3,278,499</u></u> | | <u><u>2,821,060</u></u> | |

3BS (Scotland) LLP

Balance sheet (continued)

as at 30 November 2015

For the financial year ended 30 November 2015 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 responsibility for complying with the requirements of the Companies Act 2006 (as applied to limited liability partnerships) with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships' regime within Part 15 of the Companies Act 2006.

Approved by the members and authorised for issue on 26 April 2016


JM Bennett

Designated member

Limited Liability Partnership Registration No. SO301299

3BS (Scotland) LLP

Notes to the financial statements

for the year ended 30 November 2015

1 Accounting policies

1.1 Accounting convention

The financial statements have been prepared in accordance with applicable accounting standards and recommended practice under the historical cost accounting rules as modified by the revaluation of certain fixed assets.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP); "Accounting by Limited Liability Partnerships", revised in 2010 and the Companies Act 2006.

The limited liability partnership has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small limited liability partnership.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Limited Liability Partnership Statement of Recommended Practice, which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for rental income.

1.4 Tangible fixed assets and depreciation

Investment properties are included in the balance sheet at their open market value and no depreciation is charged on these assets.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) for all tangible assets to be depreciated. In the opinion of the members compliance with the standard is necessary for the financial statements to give a true and fair view.

1.5 Members' interests

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity because the LLP has an unconditional right to refuse payment to members.

Non discretionary profit allocations are included in 'Members' remuneration charged as an expense' in the profit and loss account.

3BS (Scotland) LLP

Notes to the financial statements (continued)

for the year ended 30 November 2015

| 2 | Investment income | 2015 £ | 2014 £ |
|---|-------------------|------------|-----------|
| | Bank interest | 291 | 56 |
| | | <u>291</u> | <u>56</u> |

| 3 | Tangible fixed assets | Investment properties £ |
|---|--------------------------|-------------------------------|
| | Cost or valuation | |
| | At 1 December 2014 | 3,181,191 |
| | Additions | 3,240 |
| | Disposals | (205,331) |
| | At 30 November 2015 | <u>2,979,100</u> |
| | Net book value | |
| | At 30 November 2015 | <u>2,979,100</u> |
| | At 30 November 2014 | <u>3,181,191</u> |

The valuations of investment properties were made as at 30 November 2015 on an open market basis by the members who are both Chartered Surveyor members of RICS. No depreciation is provided in respect of these properties.

On an historical cost basis these would have been included at an original cost of £2,729,322.

| 4 | Debtors | 2015 £ | 2014 £ |
|---|---------------|---------------|---------------|
| | Trade debtors | 38,506 | 20,547 |
| | Other debtors | 6,485 | 12,523 |
| | | <u>44,991</u> | <u>33,070</u> |

3BS (Scotland) LLP

Notes to the financial statements (continued)

for the year ended 30 November 2015

| 5 | Creditors: amounts falling due within one year | 2015 | 2014 |
|---|---|----------------|----------------|
| | | £ | £ |
| | Bank loans | - | 192,482 |
| | Other creditors | 400,072 | 281,855 |
| | | <u>400,072</u> | <u>474,337</u> |
| | Debt due in one year or less | <u>-</u> | <u>192,482</u> |
| | | | |
| 6 | Creditors: amounts falling due after more than one year | 2015 | 2014 |
| | | £ | £ |
| | Bank loans | - | 44,787 |
| | | <u>-</u> | <u>44,787</u> |
| | Analysis of loans | | |
| | Wholly repayable within five years | - | 237,269 |
| | Included in current liabilities | - | (192,482) |
| | | <u>-</u> | <u>44,787</u> |
| | Loan maturity analysis | | |
| | In more than one year but not more than two years | - | 44,787 |
| | | <u>-</u> | <u>44,787</u> |

The loan was secured by a bond and floating charge over the assets of the limited liability partnership.

The loan was repaid in full during the year.

3BS (Scotland) LLP

Notes to the financial statements (continued) for the year ended 30 November 2015

| 7 | Members' interests | Members' other interests | | | | Loans and other debts due | Total | 2014 |
|---|--|---|------------------------|-----------|----------------------|---------------------------------|-----------|------|
| | | Members' capital (classified as equity) | Revaluation reserve | Total | to/(from) members | | | |
| | | £ | £ | £ | £ | | £ | £ |
| | Amount due to members | | | | 1,795,605 | | | |
| | Members' interests at 1 December 2014 | 719,810 | 305,645 | 1,025,455 | 1,795,605 | 2,821,060 | 2,575,321 | |
| | Members' Remuneration charged as an expense, including employment costs and retirement benefit costs | - | - | - | 457,415 | 457,415 | 245,739 | |
| | Members' interests after loss for the year introduced by members | 719,810 | 305,645 | 1,025,455 | 2,253,020 | 3,278,475 | 2,821,060 | |
| | Other movements | 24 | - | 24 | - | 24 | - | |
| | | - | (55,867) | (55,867) | 55,867 | - | - | |
| | Members' interests at 30 November 2015 | 719,834 | 249,778 | 969,612 | 2,308,887 | 3,278,499 | 2,821,060 | |
| | Amounts due to members | | | | 2,308,887 | | | |

3Bs (Scotland) LLP

Notes to the financial statements (continued) for the year ended 30 November 2015

7 Members' interests (continued)

3Bs (Scotland) LLP profits are divided amongst members based on the profit sharing ratio applying for the year. For the year ended 30 November 2015, profit sharing amongst members ratios were allocated prospectively and profits were divided equally among the members. As a result, undrawn profits were reflected in loans and other debts due to members at 30 November 2015.

Members' capital ranks after unsecured creditors, and loans and other debts due to members rank pari passu with unsecured creditors in the event of a winding up. The amount of capital each member is required to subscribe is determined by the members and under the LLP Agreement of 3Bs (Scotland) LLP.

3BS (Scotland) LLP

Notes to the financial statements (continued)

for the year ended 30 November 2015

| 8 | Information in relation to members | 2015 £ | 2014 £ |
|---|---|----------------|----------------|
| | Remuneration to members charged as an expense | <u>457,415</u> | <u>245,739</u> |
| | | <u>457,415</u> | <u>245,739</u> |

Remuneration representing a division of profit is included in the allocation of profit figures in note 7.

| | 2015 Number | 2014 Number |
|--|----------------|----------------|
| The average number of members during the year was: | <u>2</u> | <u>2</u> |

9 Control

In the opinion of the members there is no individual controlling party.

10 Related party transactions

3Bs (Scotland) LLP charged rent on an arms length basis of £155,220 (2014 - £142,348) to J&E Shepherd, a partnership in which one of the members is a partner.

Included in debtors is £38,506 due from J&E Shepherd (2014 - £20,547).

During 2012 a loan was obtained from BBB Properties Limited of £250,000. During that year the loan was repaid by the directors in that company and transferred to their directors loan accounts. A further £100,000 was paid to 3Bs by BBB Properties in the year to 31 December 2015 and the full loan of £350,000 remains outstanding at the year end within other creditors (2014 - £250,000) and has no set repayment date or interest accruing.

During 2014 3Bs LLP paid an accountancy fee for BBB Properties Limited of £1,056. This amount remains outstanding at the year end within other debtors (2014 - £1,056) and has no set repayment date or interest accruing. 3Bs (Scotland) LLP members are the directors and shareholders of BBB Properties Ltd.