

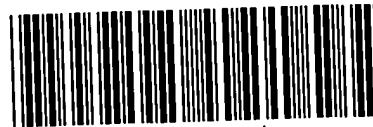
Limited Liability Partnership Registration No. OC346021 (England and Wales)

Garbutt & Elliott LLP

Annual Report And Unaudited Financial Statements

For The Period Ended 30 September 2017

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COMPANIES HOUSE

GARBUTT & ELLIOTT LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

J Russell Turner
Richard G Feltham
Jeremy Oliver
Nigel P Shaw
Alan M Sidebottom
Simon R Palmer
J A (Tony) Farmer

Limited liability partnership number OC346021

Registered office

Arabesque House
Monks Cross Drive
York
YO32 9GW

GARBUTT & ELLIOTT LLP

CONTENTS

	Page
<i>Statement of financial position</i>	1 - 2
Notes to the financial statements	3 - 10

GARBUTT & ELLIOTT LLP

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	3		438,244		102,667
Property, plant and equipment	4		107,751		123,175
Investments	5		100		7,396
			<u>546,095</u>		<u>233,238</u>
Current assets					
Trade and other receivables	6	2,491,612		2,204,486	
Cash and cash equivalents		1,359		3,712	
		<u>2,492,971</u>		<u>2,208,198</u>	
Current liabilities	7	(1,950,847)		(1,641,136)	
Net current assets			<u>542,124</u>		<u>567,062</u>
Total assets less current liabilities			<u>1,088,219</u>		<u>800,300</u>
Non-current liabilities	8		(96,081)		(123,014)
Net assets attributable to members			<u>992,138</u>		<u>677,286</u>
Represented by:					
Loans and other debts due to members within one year					
Amounts due in respect of profits			220,672		(66,845)
Other amounts			455,778		713,009
			<u>676,450</u>		<u>646,164</u>
Members' other interests					
Other reserves classified as equity			315,688		31,122
			<u>992,138</u>		<u>677,286</u>
Total members' interests					
Loans and other debts due to members			676,450		646,164
Members' other interests			315,688		31,122
			<u>992,138</u>		<u>677,286</u>

The members of the limited liability partnership have elected not to include a copy of the income statement within the financial statements.

GARBUTT & ELLIOTT LLP

STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT 30 SEPTEMBER 2017

For the financial period ended 30 September 2017 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 responsibilities for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 19 June 2018 and are signed on their behalf by:



J Russell Turner
Designated member

Limited Liability Partnership Registration No. OC346021

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

Limited liability partnership information

Garbutt & Elliott LLP is a limited liability partnership incorporated in England and Wales. The registered office is Arabesque House, Monks Cross Drive, York, YO32 9GW.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017, together 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 applicable to LLP's subject to the small LLP's regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £1.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These financial statements for the period ended 30 September 2017 are the first financial statements of Garbutt & Elliott LLP prepared in accordance with FRS 102. The date of transition to FRS 102 was 1 July 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

The limited liability partnership has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the limited liability partnership as an individual entity and not about its group.

1.2 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the limited liability partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Reporting period

The financial statements of the LLP have been prepared for a 15 month period to 30 September 2017 as the members believe that the new year end is more appropriate given the seasonality of the business. Consequently, comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.4 Revenue

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Turnover is recognised on unbilled client assignments, if the final outcome can be assessed with reasonable certainty, as contract activity progresses and the right to consideration is earned. It is calculated by considering the amounts that can reasonably be expected to be recoverable from clients based upon time spent and expenses incurred.

Turnover in respect of contingent assignments (over any agreed minimum fee) is recognised in the period in which the contingent event occurs.

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

1.5 Members' participating interests

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. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Customer relationships

Acquired customer relationships are amortised over their estimated useful economic life of 5 to 10 years.

1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	In equal instalments over the lease term
Software	4 years
Office equipment	4 or 10 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

1.8 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.9 Impairment of non-current assets

At each reporting period end date, the LLP reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.11 Financial instruments

The LLP has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the LLP's balance sheet when the LLP becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the LLP transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the LLP's obligations expire or are discharged or cancelled.

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

1 Accounting policies

(Continued)

1.12 Equity instruments

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the LLP is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits and post retirement payments to members

The LLP operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable.

The LLP has no obligation to make post-retirement payments to members.

1.15 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.16 Taxation

The LLP is not subject to tax on its profits as taxation remains the responsibility of its members. Accordingly, no current or deferred tax charge is provided for in these financial statements.

2 Employees

The average number of persons (excluding members) employed by the LLP during the period was 98 (2016 - 89).

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

3 Intangible fixed assets

	Customer relationships £
Cost	
At 1 July 2016	112,000
Additions	366,201
	<u>478,201</u>
At 30 September 2017	
Amortisation and impairment	
At 1 July 2016	9,333
Amortisation charged for the period	30,624
	<u>39,957</u>
At 30 September 2017	
Carrying amount	
At 30 September 2017	438,244
	<u><u>102,667</u></u>
At 30 June 2016	
	<u><u>102,667</u></u>

4 Property, plant and equipment

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 July 2016	150,600	515,976	666,576
Additions	-	64,905	64,905
Disposals	-	(30,715)	(30,715)
	<u>150,600</u>	<u>550,166</u>	<u>700,766</u>
At 30 September 2017			
Depreciation and impairment			
At 1 July 2016	109,426	433,975	543,401
Depreciation charged in the period	12,285	55,271	67,556
Eliminated in respect of disposals	-	(17,942)	(17,942)
	<u>121,711</u>	<u>471,304</u>	<u>593,015</u>
At 30 September 2017			
Carrying amount			
At 30 September 2017	28,889	78,862	107,751
	<u><u>41,174</u></u>	<u><u>82,001</u></u>	<u><u>123,175</u></u>
At 30 June 2016			
	<u><u>41,174</u></u>	<u><u>82,001</u></u>	<u><u>123,175</u></u>

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

5 Fixed asset investments

	2017 £	2016 £
Investments	100	7,396

Movements in non-current investments

	Shares in group undertakings and participating interests £	Other investments other than loans £	Total £
Cost or valuation			
At 1 July 2016 & 30 September 2017	100	7,296	7,396
Impairment			
At 1 July 2016	-	-	-
Impairment losses	-	7,296	7,296
At 30 September 2017	-	7,296	7,296
Carrying amount			
At 30 September 2017	100	-	100
At 30 June 2016	100	7,296	7,396

6 Trade and other receivables

	2017 £	2016 £
Amounts falling due within one year:		
Trade receivables	991,187	944,341
Amounts owed by group undertakings and undertakings in which the LLP has a participating interest	18,018	264,713
Other receivables	1,482,407	995,432
	2,491,612	2,204,486

Trade receivables and £712,762 (2016 - £499,395) within other receivables have been pledged as security for the LLP's bank borrowings.

GARBUTT & ELLIOTT LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 SEPTEMBER 2017

7 Current liabilities

	2017 £	2016 £
Bank loans and overdrafts	995,592	637,574
Trade payables	228,289	379,168
Other taxation and social security	270,132	292,385
Other payables	456,834	332,009
	<u>1,950,847</u>	<u>1,641,136</u>

8 Non-current liabilities

	2017 £	2016 £
Bank loans and overdrafts	31,081	98,014
Other payables	65,000	25,000
	<u>96,081</u>	<u>123,014</u>

9 Loans and other debts due to members

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

10 Financial commitments, guarantees and contingent liabilities

The LLP is subject to a cross company bank guarantee with related companies G&E (Holdings) Limited, G&E Professional Services Limited and Garbutt & Elliott Audit Limited in respect of bank borrowings, which at the BS date totalled £1,026,673 (2016 £735,588).

As at the date of approval of the financial statements, no default has occurred which would trigger the above liability, nor is one anticipated. As such, the members consider that the fair value of this obligation is £nil, and as such there is no recognition of a liability on the balance sheet.

11 Operating lease commitments

Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017 £	2016 £
	<u>416,257</u>	<u>747,049</u>