

Cobalt PSS LLP

Annual report and financial statements

for the year ended 30 April 2016

Registered number: OC390621



Cobalt PSS LLP

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Cobalt PSS LLP

Officers and professional advisers

DESIGNATED MEMBERS

Mr A Preston
Mr G Senior
Mr G Sizer

REGISTERED OFFICE

2nd Floor
Tirrem House
16 High Street
Yarm
TS15 9AE

BANKER

Santander
Bootle
Merseyside
L30 4GB

SOLICITOR

Endeavour Partnership LLP
Westminster
St Mark's Court
Teesdale Business Park
Teesside
TS17 6QP

Cobalt PSS LLP

Members' report

The members are pleased to present their report to the members of Cobalt PSS LLP and the financial statements together with the independent auditor's report for the period ended 30 April 2016.

PRINCIPAL ACTIVITIES

The principal activities of the LLP are the letting of investment property.

RESULTS

The results for the period are set out on page 4.

GOING CONCERN

After making enquiries, the members are confident that the LLP has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies note, on page 7 of the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the LLP are the fall in demand for its activities given the current economic conditions and the ongoing liquidity of its operations. The partners have cash reserves which will ensure these liquidity risks can be managed effectively.

DESIGNATED MEMBERS

The designated members were:

Mr A Preston
Mr G Senior
Mr G Sizer

MEMBERS DRAWINGS AND CAPITAL POLICY

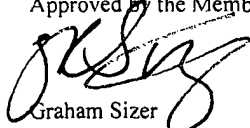
The policies of Cobalt PSS LLP regarding the allocation of profits to members are disclosed in the accounting policies on page 8.

Members are required to contribute capital when agreed by the members and on the instructions of the designated members. The designated members may not call for the members to contribute further capital on the insolvency of the LLP.

SMALL LLP EXEMPTION

The report to the members has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption, as modified by the Limited Liability Partnership regulations.

Approved by the Members and signed on behalf of the Designated Members


Graham Sizer
Designated Member
9 January 2017

Cobalt PSS LLP

Members' responsibilities statement

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

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to give a true and fair view of the state of affairs of the firm and of the profit or loss of the firm 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 estimates that are reasonable and prudent;*
- *prepare the financial statements on the going concern basis unless it is inappropriate to presume that the firm will continue in business.*

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Cobalt PSS LLP

Profit and loss account

For the year ended 30 April 2016

	Note	Year ended 30 April 2016 £	Period ended 30 April 2015 £
Turnover			
Rent receivable	1	184,842	250,282
Gross profit		184,842	250,282
Administrative expenses		(2,130)	(798)
Other operating income		47	108
Operating profit	3	182,759	249,592
Profit for the financial year attributable to the equity shareholders of the Business		182,759	249,592

All results relate to continuing operations.

Cobalt PSS LLP

Balance sheet

As at 30 April 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	1,588,298	1,588,298
		<u>1,588,298</u>	<u>1,588,298</u>
Current assets			
Debtors	5	8,530	24,068
Cash at bank and in hand		167,717	80,001
		<u>176,247</u>	<u>104,069</u>
Creditors: amounts falling due within one year	6	(40,193)	(1,775)
		<u>136,054</u>	<u>102,294</u>
Net current assets			
		<u>1,724,352</u>	<u>1,690,592</u>
Total assets less current liabilities			
		<u>1,724,352</u>	<u>1,690,592</u>
Represented by:			
Members' other interests		1,724,352	1,690,592
		<u>1,724,352</u>	<u>1,690,592</u>
Total members' interests			
Members' other interests		1,724,352	1,690,592
		<u>1,724,352</u>	<u>1,690,592</u>

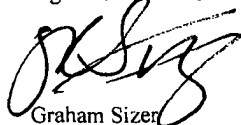
For the financial period in question the Limited Liability Partnership was entitled to exemption under section 477 of the Companies Act 2006 (as applied by Limited Liability Partnerships (Accounts and Audit)(Application of Companies Act 2006) Regulations 2008) relating to small LLPs.

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 accounts.

These financial statements have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime and in accordance with the provisions of Section 1A of FRS 102.

The financial statements of Cobalt PSS LLP (LLP Registration No. OC390621) were approved by the Members and authorised for issue on 9 January 2017.

Signed on behalf of the Members



Graham Sizer
Designated Member
9 January 2017

Cobalt PSS LLP

Statement of changes in equity For the year ending 30 April 2016

	Other reserves £	Amounts due to members in creditors £	Total £
At incorporation capital introduced	1,591,000	-	1,591,000
Profit for the financial year and total comprehensive income	249,592	-	249,592
Payments made to members on behalf of the LLP	(150,000)	-	(150,000)
As at 30 April 2015	1,690,592	-	1,690,592
Profit for the financial year and total comprehensive income	182,750	-	182,750
Payments made to members on behalf of the LLP	(149,000)	-	(149,000)
As at 30 April 2016	1,724,352	-	1,724,352

Cobalt PSS LLP

Notes to the financial statements

For the year ended 30 April 2016

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

Cobalt PSS LLP ("the Partnership") is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the members' report on page 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (issued July 2014).

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year. For more information see note 8.

The functional currency of Cobalt PSS LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the Partnership operates. The consolidated financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

b. Going concern

The LLP's principal risk and uncertainties are falling demand due to the current economic conditions and operation liquidity given that the LLP is dependent upon finance from its members.

The members have cash reserves and have provided a letter confirming their commitment to provide the required support, and on this basis they believe the LLP is well placed to manage its business and liquidity risks successfully despite the current uncertain outlook and the members are confident that the LLP has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial report and financial statements.

c. Investment properties

Investment properties are revalued annually to open market value. Surpluses or deficits on individual properties are transferred to the investment revaluation reserve, except that a deficit which is expected to be permanent and which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Depreciation is not provided in respect of freehold investment properties or in respect of leasehold investment properties where the unexpired term of the lease is more than 20 years. The Board considers that this accounting policy, which represents a departure from the statutory accounting rules, is necessary to provide a true and fair view as required under SSAP 19 *Accounting for investment properties*. The financial effect of the departure from the statutory accounting rules is not material.

d. Financial instruments

Financial assets and financial liabilities are recognised when the Business becomes a party to the contractual provisions of the instrument.

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 Business after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Cobalt PSS LLP

Notes to the financial statements (continued)

For the year ended 30 April 2016

1. Accounting policies (continued)

d. Financial instruments (continued)

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Business intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

e. Taxation

Any liability to taxation on income or capital gains is the liability of the partners and not of the partnership itself. The partnership therefore has no liability to tax in respect of its income or gains.

f. Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover is recognised on the provision of services and supply of goods.

g. Allocation of profits

The profit/loss of the LLP shall be divided between the members in the relevant percentages and shall be paid into the members' current accounts on the approval of the annual accounts for the relevant accounting year. The LLP may retain profit/loss in proportion to the members' relevant percentage to meet the capital and revenue commitments of the LLP as determined by the Management Board.

2. Critical accounting judgements

In the application of the Business's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that the directors have made in the process of applying the Business's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

Turnover represents amounts receivable in respect of rental income on investment properties, and is derived from the company's principal activity. All turnover originates in the United Kingdom.

Rental income from operating leases is recognised in line with the terms of the relevant lease.

3. Operating profit

During the year the LLP did not employ any members of staff (2015: Same)

Cobalt PSS LLP

Notes to the financial statements (continued) For the year ended 30 April 2016

4. Tangible fixed assets

	Investment property £	Total £
Cost or valuation		
As at 1 May 2015	1,588,298	1,588,298
	-	-
As at 30 April 2016	1,588,298	1,588,298
Depreciation		
As at 1 May 2015	-	-
Charge for the year	-	-
As at 30 April 2016	-	-
Net book value		
As at 30 April 2016	1,588,298	1,588,298
As at 30 April 2015	1,588,298	1,588,298

The investment property has been valued by the members at acquisition cost.

5. Debtors

	2016 £	2015 £
Amounts falling due within one year:		
Trade debtors	8,530	13,449
Other debtors	-	8,682
Other taxation	-	1,937
	8,530	24,068

Cobalt PSS LLP

Notes to the financial statements (continued) For the year ended 30 April 2016

6. Creditors: amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts		
Other creditors	9,722	-
Other taxation	14,072	-
Accruals and deferred income	16,399	1,775
	<u>40,193</u>	<u>1,775</u>

7. Controlling party

The LLP is under the joint control of the designated members, who each control an equal share in the LLP.

8. Explanation of transition to FRS 102

This is the first year that the firm has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition.

The last financial statements under previous UK GAAP were for the year ended 30 April 2015 and the date of transition to FRS 102 was therefore 1 May 2014.

The directors have considered the requirements of FRS 102 against the requirements of the retired UK GAAP. All existing accounting policies and judgements are deemed to remain appropriate under FRS 102. Accordingly no transition adjustments are necessary.

There are no adjustments to previously reported equity or profit figures and accordingly a reconciliation of equity at 1 May 2014 and profit for the year ended 30 April 2015 is not presented.