

Cobalt PSS LLP

Annual Report and Unaudited Financial Statements

for the year ended 30 April 2018



REPORT AND FINANCIAL STATEMENTS 2018

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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

MEMBERS' REPORT

The members are pleased to present their report to the members of Cobalt PSS LLP and the unaudited financial statements for the year ended 30 April 2018.

PRINCIPAL ACTIVITY

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

RESULTS

The results for the year 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 DRAWING AND CAPITAL POLICY

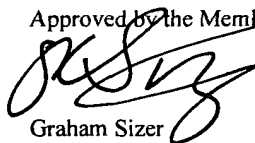
The policies of Cobalt PSS LLP regarding the allocation of profits to members are disclosed in the accounting policies on page 7.

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 LLPs 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
13 November 2018

MEMBERS' RESPONSIBILITIES STATEMENT

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

The Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2008 made under the Limited Liability Partnerships Act 2000 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". Under Company law as applied to Limited Liability Partnerships, the members must not approve the unaudited financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Limited Liability Partnership and of the profit or loss for that period. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 Limited Liability Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to Limited Liability Partnerships (issued July 2014). They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These responsibilities are exercised by the designated members on behalf of the members.

PROFIT AND LOSS ACCOUNT
For the year ended 30 April 2018

	Note	Year ended 30 April 2018 £	Year ended 30 April 2017 £
TURNOVER			
Rent receivable	1	184,655	184,655
GROSS PROFIT		184,655	184,655
Administrative expenses		(1,743)	(1,255)
Other operating income		17	134
Revaluation of investment property		-	1,411,702
OPERATING PROFIT		182,929	1,595,236
Interest payable and similar charges		-	-
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AND PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DIVISION AMONG MEMBERS		182,929	1,595,236

All results relate to continuing operations.

There is no comprehensive income/expenditure for the current financial year other than as stated in the profit and loss account. Accordingly, no statement of comprehensive income is presented.

BALANCE SHEET
As at 30 April 2018

	Note	2018 £	2017 £
TANGIBLE FIXED ASSETS			
Investment property	3	3,000,000	3,000,000
CURRENT ASSETS			
Debtors	4	234,474	42,024
Cash at bank and in hand		34,599	42,834
		269,073	84,858
CREDITORS: Amounts falling due within one year	5	(6,556)	(5,270)
NET CURRENT ASSETS		262,517	79,588
TOTAL ASSETS LESS CURRENT LIABILITIES		3,262,517	3,079,588
Represented by:			
Members' equity		1,850,815	1,667,886
Members' other interests		1,411,702	1,411,702
		3,262,517	3,079,588
Total member's interests			
Members' equity and other interests		3,262,517	3,079,588
Amounts due to members in creditors	5	-	-
		3,262,517	3,079,588

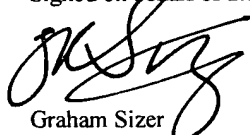
For the financial year in question the Limited Liability Partnership was entitled to exemption under section 477 of the Companies Act 2006 (as applied by Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small LLPs.

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 unaudited financial statements have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The financial statements of Cobalt PSS LLP (LLP Registration No. OC390621) were approved by the Members and authorised for issue on 13 November 2018.

Signed on behalf of the Members



Graham Sizer
 Designated Member
 13 November 2018

STATEMENT OF CHANGES IN MEMBERS' INTERESTS**As at 30 April 2018**

	Members' capital classified as equity	Members' other interests	Total
	£	£	£
At 1 May 2016	1,724,352	-	1,690,592
Profit and total comprehensive income for the financial year available for discretionary division among members	183,534	-	183,554
Revaluation of investment property	-	1,411,702	1,411,702
Members' capital introduced	-	-	-
Drawings (including tax payments)	(240,000)	-	(240,000)
At 30 April 2017	<u>1,667,886</u>	<u>1,411,702</u>	<u>3,079,588</u>
Profit and total comprehensive income for the financial year available for discretionary division among members	182,929	-	182,929
Members' capital introduced	-	-	-
Drawings (including tax payments)	-	-	-
At 30 April 2018	<u><u>1,850,815</u></u>	<u><u>1,411,702</u></u>	<u><u>3,262,517</u></u>

Members' other interests are not distributable.

NOTES TO THE FINANCIAL STATEMENTS**As at 30 April 2018****1. ACCOUNTING POLICIES**

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

General information and basis of accounting

The unaudited financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’), Companies Act 2016 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in July 2014. The financial statements have been prepared on the historical cost convention, modified to include the revaluation of certain fixed assets.

The functional currency of the Partnership is considered to be pounds sterling because that is the currency of the primary economic environment in which the Partnership operates.

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.

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.

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.

Investment property

Investment properties are initially capitalised at cost. Cost includes all costs of development including capitalisation of interest where appropriate. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress.

In accordance with FRS 102 Section 16 ‘Accounting for Investment Properties’, investment properties are revalued annually and the aggregate surplus or deficit is taken through the profit and loss account.

Allocation of profits

In accordance with the LLP agreement, 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.

Cash flow statement

The company is not presenting a cash flow statement in accordance with the exemption in FRS 102 under the July 2015 amendments, with particular regard to Section 7 - Cash Flow Statements.

Critical accounting judgements and key sources of estimation uncertainty

The Director does not consider there to be any relevant critical accounting judgements and key sources of estimation uncertainty in the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
As at 30 April 2018

2. OPERATING PROFIT

During the year the LLP did not employ any members of staff (2017 – Nil).

3. TANGIBLE FIXED ASSETS

	Investment property £
Cost	
At 1 May 2017	3,000,000
Revaluation	-
At 30 April 2018	3,000,000
Depreciation	
At 1 May 2017	-
Charge for the year	-
At 30 April 2018	-
Net book value	
At 30 April 2018	3,000,000
At 30 April 2017	3,000,000

The investment property was valued in May 2017 by the members at a value of £3,000,000 as at 30 April 2017. The valuation was based on information provided by an experienced independent valuer with recognised qualifications with reference to market data as at 30 April 2017. The members consider this valuation to remain appropriate at 30 April 2018.

If the property had not been revalued it would be held at historical cost of £1,588,298.

4. DEBTORS

	2018 £	2017 £
Due within one year:		
Trade debtors	13,278	8,530
Prepayments and accrued income	211,999	22,598
Other taxation	9,197	10,896
	234,474	42,024

NOTES TO THE FINANCIAL STATEMENTS (Continued)
As at 30 April 2018

5. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	5,006	-
Other taxation	-	5,270
Accruals and deferred income	1,550	-
	<u>6,556</u>	<u>5,270</u>

6. CONTROLLING PARTY

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