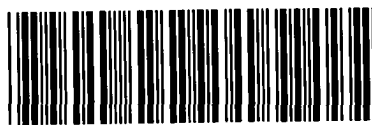


REGISTERED NUMBER: OC398883

Boulton Brooks (Harrogate 2) Limited Liability Partnership
Unaudited Financial Statements
31st December 2016

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Boulton Brooks (Harrogate 2) Limited Liability Partnership

Financial Statements

Year ended 31st December 2016

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Boulton Brooks (Harrogate 2) Limited Liability Partnership

Members' Report

Year ended 31st December 2016

The members present their report and the unaudited financial statements of the LLP for the year ended 31st December 2016.

Principal activities

The principal activity of the company during the year was investment in an LLP engaged in property investment.

Designated members

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

Boulton Brooks Capital LLP
Rokibo Limited
ZMR Business Consultants
Limited
Cowrie Properties Limited

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

Members are permitted to make drawings when profits have been allocated to them, subject to sufficient maintenance of working capital. Drawings are determined after the end of each calendar quarter.

New members are required to subscribe a minimum level of capital and any subsequent capital requirements may be determined by unanimous consent of the members. Withdrawal of capital may be allowed on refinancing of the investment property or upon sale.

This report was approved by the members on 25th September 2017 and signed on behalf of the members by:



L. Roberts; Director of Boulton Estates Limited designated member of Boulton Brooks Capital LLP.

Registered office:
Broadway House
32-35 Broad Street
Hereford
HR4 9AR

Boultonbee Brooks (Harrogate 2) Limited Liability Partnership

Statement of Comprehensive Income

Year ended 31st December 2016

	Note	Year to 31 Dec 16 £	Period from 17 Mar 15 to 31 Dec 15 £
Other operating expenses		<u>2,038</u>	<u>—</u>
Operating loss		(2,038)	—
Income from other fixed asset investments		<u>910,577</u>	<u>2,256,925</u>
Profit for the financial year before members' remuneration and profit shares available for discretionary division among members		<u>908,539</u>	<u>2,256,925</u>

All the activities of the LLP are from continuing operations.

The notes on pages 6 to 10 form part of these financial statements.

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Statement of Financial Position

31st December 2016

	Note	2016 £	2015 £
Fixed assets			
Investments	4	6,826,589	5,756,925
Creditors: amounts falling due within one year	5	1,125	—
Net current liabilities		1,125	—
Total assets less current liabilities		<u>6,825,464</u>	<u>5,756,925</u>
Represented by:			
Loans and other debts due to members			
Other amounts	7	1,293,463	1,187,236
Members' other interests			
Members' capital classified as equity		3,660,000	3,500,000
Other reserves		1,872,001	1,069,689
		<u>6,825,464</u>	<u>5,756,925</u>
Total members' interests			
Loans and other debts due to members	7	1,293,463	1,187,236
Members' other interests		5,532,001	4,569,689
		<u>6,825,464</u>	<u>5,756,925</u>

These financial statements have been prepared 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'.

For the year ending 31st December 2016 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 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 25th September 2017, and are signed on their behalf by:



L. Roberts; Director of Boulton Estates Limited designated member of Boulton Brooks Capital LLP.

Registered number: OC398883

The notes on pages 6 to 10 form part of these financial statements.

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Reconciliation of Members' Interests

Year ended 31st December 2016

	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity)	Other reserves	Other amounts	Total	Total 2016
	£	£	£	£	£
Balance at 1st January 2016	3,500,000	1,069,689	1,187,236	1,187,236	5,756,925
Profit for the financial year available for discretionary division among members		908,539			908,539
Members' interests after profit for the year	3,500,000	1,978,228	1,187,236	1,187,236	6,665,464
Other division of profits		(106,227)	106,227	106,227	—
Introduced by members	160,000		—	—	160,000
Balance at 31st December 2016	3,660,000	1,872,001	1,293,463	1,293,463	6,825,464

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

The notes on pages 6 to 10 form part of these financial statements.

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Reconciliation of Members' Interests *(continued)*

Year ended 31st December 2016

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity)	Other reserves	Total	Other amounts	Total	Total 2015
	£	£	£	£	£	£
Balance at 17th March 2015	—	—	—	—	—	—
Profit for the financial year available for discretionary division among members	—	2,256,925	2,256,925	—	—	2,256,925
Members' interests after profit for the year	—	2,256,925	2,256,925	—	—	2,256,925
Other division of profits	—	(1,187,236)	(1,187,236)	1,187,236	1,187,236	—
Introduced by members	3,500,000	—	3,500,000	—	—	3,500,000
Balance at 31st December 2015	<u>3,500,000</u>	<u>1,069,689</u>	<u>4,569,689</u>	<u>1,187,236</u>	<u>1,187,236</u>	<u>5,756,925</u>

The notes on pages 6 to 10 form part of these financial statements.

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Notes to the Financial Statements

Year ended 31st December 2016

1. General information

The LLP is registered in England and Wales.

The address of the registered office is Broadway House, 32-35 Broad Street, Hereford, HR4 9AR.

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 17th March 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 8.

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.

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.

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

3. Accounting policies *(continued)*

Members' participation rights *(continued)*

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'.

Investments

Fixed asset investments are measured at fair value with changes in fair value being recognised in profit or loss.

Financial instruments

A financial asset or a financial liability is recognised only when the entity 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.

4. Investments

	Interest in LLP £
Cost	
At 1st January 2016	5,756,925
Additions	268,265
Disposals	(913)
Revaluations	802,312
At 31st December 2016	6,826,589
Impairment	
At 1st January 2016 and 31st December 2016	—

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

4. Investments *(continued)*

	Interest in LLP £
Carrying amount	
At 31st December 2016	6,826,589
At 31st December 2015	<u>5,756,925</u>

Investments held at valuation

The interest in Boulton Brooks (Harrogate) LLP is stated at fair value at the year end as determined by the directors of the designated members. One is a member of The Royal Institute of Chartered Surveyors, the other a Chartered Accountant.

The investment is subject to a charge in respect of a bank loan to the entity in which the LLP has invested.

In respect of investments held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Interest in LLP £
At 31st December 2016	
Aggregate cost	4,954,588
Aggregate depreciation	—
Carrying value	<u>4,954,588</u>
At 31st December 2015	
Aggregate cost	4,687,236
Aggregate depreciation	—
Carrying value	<u>4,687,236</u>

5. Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors	<u>1,125</u>	<u>—</u>

6. Financial instruments at fair value

Financial assets and liabilities are accounted for on an amortised cost basis.

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

7. Loans and other debts due to members

	2016 £	2015 £
Amounts owed to members in respect of profits	<u>1,293,463</u>	<u>1,187,236</u>

8. Controlling party

The parent undertaking was Boulton Brooks (Capital) LLP whose address is: Broadway House, 32-35 Broad Street, Hereford, HR4 9AR.

9. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The LLP transitioned to FRS 102 on 17th March 2015.

Reconciliation of equity

	17th March 2015			31st December 2015		
	As previously stated £	Effect of FRS 102 (as transition £	restated) £	As previously stated £	Effect of FRS 102 (as transition £	restated) £
Fixed assets	—	—	—	<u>5,756,925</u>	—	<u>5,756,925</u>
Total assets less current liabilities	—	—	—	<u>5,756,925</u>	—	<u>5,756,925</u>
Net assets	—	—	—	<u>5,756,925</u>	—	<u>5,756,925</u>
Loans and other debts due to members	—	—	—	(1,187,236)	—	(1,187,236)
Members' other interests	—	—	—	(3,500,000)	1,069,689	(2,430,311)
	—	—	—	<u>(4,687,236)</u>	<u>1,069,689</u>	<u>(3,617,547)</u>

Reconciliation of profit or loss for the year

	Year ended 31st December 2015		
	As previously stated £	Effect of FRS 102 (as transition £	restated) £
Income from other fixed asset investments	<u>1,187,236</u>	<u>1,069,689</u>	<u>2,256,925</u>
Profit for the financial year before members' remuneration and profit shares available for the discretionary division among members	<u>1,187,236</u>	<u>1,069,689</u>	<u>2,256,925</u>

Boulton Brooks (Harrogate 2) Limited Liability Partnership

Notes to the Financial Statements *(continued)*

Year ended 31st December 2016

9. Transition to FRS 102 *(continued)*

Revaluation of fixed asset investments

FRS 102 requires/allows fixed asset investments to be stated at fair value. Any movement in fair value is to be accounted for through the Income Statement. Previously, under UK GAAP the company accounted for movements through the Revaluation Reserve. The charge for the year to 31st December 2015 £1,069,689 is included within the Income Statement. The foregoing has not affected the balance sheet during transition. The Income Statement and Revaluation Reserves have been restated to reflect the change for the year.