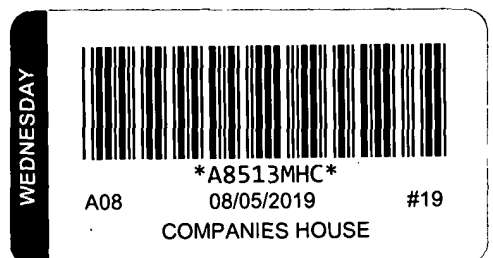


**Alder King LLP**

Financial Statements  
Registered number OC306796  
Year ended 31 August 2018



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## Members' report

The members present their annual report and financial statements for the year ended 31 August 2018.

### Principal Activity

The principal activity of the Alder King LLP is the provision of surveying services. These activities were carried on throughout the year.

The consolidated financial statements comprise the financial statements of Alder King LLP ("the LLP") together with its subsidiary undertakings ("the Group"). The principal activity of subsidiary undertakings are set out in Note 8.

### Business Review

The Group's consolidated profit and loss account for the financial year is set out on page 6.

The LLP made good progress in the year, in spite of the uncertainties created by Brexit, with 2% growth in turnover. There was also an increase in underlying profits of approximately 6% after adjustment for the disposal of a non-core part of the business the previous year and a change in the number of equity members.

We achieved good improvements against our key performance indicators as we continue to drive efficiencies through embracing technology and evolving our service lines in our chosen markets.

The business threats around Brexit remains albeit we are confident the 2018/19 financial year will continue to deliver good results.

We retain strong cash reserves and remain ambitious to grow the business.

### Designated Members

The designated members during the year were as follows:

JM Benson  
CJ Haworth  
AB Hughes  
M Jones  
SR Price  
AJ Ridler  
NPG Stevens (Appointed 1/3/2018)  
AM Watson

## **Members' report (continued)**

### **Transactions with members**

The members participate in the firm's profit and share the risks.

Where relevant an individual member's capital is linked to his or her share of profit and the financing requirements of the firm. There is no opportunity for appreciation of capital subscribed. Just as incoming members introduce their capital at 'par', so retiring members are repaid their capital at 'par'.

The firm's drawings policy allows each member to draw a proportion of their anticipated profit share on account in twelve monthly instalments. A decision is made by the LLP on the allocation of the balance of profits when the final accounts for the year in question have been signed.

All payments are made subject to the cash requirements of the business.

Tax retentions are made from allocated profit and paid to the Inland Revenue on behalf of the members with any surplus being released to members as appropriate.

### **Charitable Donations**

During the year £4,277 (2017: £8,919) was donated to charities.

### **Disclosure of information to auditor**

The members who held office at the date of approval of this members' report confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's auditor is unaware; and each member has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

### **Auditor**

A resolution to re-appoint KPMG LLP as auditor will be proposed at the next members meeting.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the members and signed on their behalf



M Jones  
Designated Member

Date: 31/5/19

Pembroke House  
15 Pembroke Road  
Clifton  
Bristol  
BS8 3BA

## **Statement of members' responsibilities in respect of the Members' Report and the financial statements**

The members are responsible for preparing the Members' Report and the group and LLP financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare the group and LLP financial statements for each financial year. Under that law the members have elected to prepare both the group and LLP financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice.) including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the LLP and of the profit or loss of the group for that period. In preparing each of group and LLP financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the group and the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and LLP to prevent and detect fraud and other irregularities.

## Independent auditor's report to the Members of Alder King LLP

### Opinion

We have audited the financial statements of Alder King LLP ("the LLP") for the year ended 31 August 2018 which comprise the Consolidated profit and loss account and other comprehensive income, Consolidated balance sheet, LLP Balance Sheet, Consolidated statement of Changes in equity, LLP statement of Changes in equity, Consolidated Cash Flow statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the group and of the LLP as at 31 August 2018 and of the profit of the group for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008.

### Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to Britain exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the members and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the group's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the group's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a business and this is particularly the case in relation to Brexit.

### Going Concern

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the LLP or to cease their operations, and as they have concluded that the group and the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the members' conclusions, we considered the inherent risks to the group's business model, including the impact of Brexit, and analysed how those risks might affect the group and the LLP's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the LLP will continue in operation.

### Other Information

The members are responsible for other information, which comprises the members' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

## Independent auditor's report to the Members of Alder King LLP (continued)

### Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the LLP's individual financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

### Members' responsibilities

As explained more fully in their statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the LLP or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorresponsibilities](http://www.frc.org.uk/auditorresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Matt Britton (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
66 Queen Square  
Bristol  
BS1 4BE

Date: 3 MAY 2019

**Consolidated Profit and loss account and other comprehensive income**  
**for the year ended 31 August 2018**

	Note	2018 £	Restated (Note 1) 2017 £
<b>Turnover - continuing operations</b>		<b>12,268,286</b>	<b>12,043,300</b>
Change in work in progress	9	(25,035)	21,804
		<u>12,243,251</u>	<u>12,065,104</u>
Other Operating Income		5,324	6,467
Staff Costs	4	(5,763,852)	(5,587,043)
Depreciation and other amounts written off tangible fixed assets	2	(326,939)	(346,453)
Other operating charges		<u>(2,511,308)</u>	<u>(2,591,433)</u>
<b>Operating profit - continuing operations</b>		<b>3,646,476</b>	<b>3,546,642</b>
Profit on disposal of investments	8		242,348
Profit on disposal of fixed assets	2	6,017	5,722
Other interest receivable and similar income	5	15,467	7,748
Interest payable and similar charges	6	(51)	(6)
Tax on profit		(187)	(51)
<b>Profit for the financial year before members' remuneration and profit shares</b>		<b><u>3,667,722</u></b>	<b><u>3,802,403</u></b>
Members' remuneration charged as an expense		<u>(352,000)</u>	<u>(329,305)</u>
<b>Profit for the financial year available for discretionary division among members</b>		<b><u>3,315,722</u></b>	<b><u>3,473,098</u></b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b><u>3,315,722</u></b>	<b><u>3,473,098</u></b>

All amounts relate to continuing activities.

The notes on pages 12 to 19 form an integral part of these financial statements.

As explained in Note 1, the prior year financial statements were not prepared on a consolidated basis as a Companies Act Section 405(2) exemption was taken.



**Consolidated Balance Sheet**  
*as at 31 August 2018*

		2018 £	Restated (Note 1) 2017 £
	Note		
<b>Fixed Assets</b>			
Tangible assets	7	<u>741,754</u>	<u>833,541</u>
		741,754	833,541
<b>Current Assets</b>			
Stocks	9	221,779	246,814
Debtors	10	2,644,263	2,448,435
Cash at bank and in hand		<u>4,331,398</u>	<u>3,872,687</u>
		7,197,440	6,567,936
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,173,305)</u>	<u>(1,668,925)</u>
<b>Net Current Assets</b>		5,024,135	4,899,011
<b>Total assets less current liabilities</b>		<u>5,765,889</u>	<u>5,732,552</u>
<b>Creditors: Amounts falling due after more than one year</b>			0
<b>Provisions for liabilities</b>	12	(20,000)	(20,000)
<b>Net Assets attributable to members</b>		<u>5,745,889</u>	<u>5,712,552</u>
Represented by:			
<b>Loans and other debts due to members</b>			
Members' capital classified as a liability under section 22 of FRS 102		909,311	934,789
Other amounts due to members		<u>2,702,661</u>	<u>2,451,250</u>
		3,611,972	3,386,039
<b>Equity</b>			
Members' other interests - other reserves classified as equity		<u>2,133,917</u>	<u>2,326,513</u>
		<u>5,745,889</u>	<u>5,712,552</u>
<b>Total members' interests</b>			
Loans and other debts due to members		3,611,972	3,386,039
Members' other interests		<u>2,133,917</u>	<u>2,326,513</u>
		<u>5,745,889</u>	<u>5,712,552</u>

The notes on pages 12 to 19 form an integral part of these financial statements.

As explained in Note 1, the prior year financial statements were not prepared on a consolidated basis as a Companies Act Section 405(2) exemption was taken.

These financial statements were approved by the members on 31/5/19 and were signed on their behalf by:



M Jones  
Designated Member

OC306796

**LLP Balance Sheet**  
**as at 31 August 2018**

	Note	2018 £	2018 £	2017 £	2017 £
<b>Fixed Assets</b>					
Tangible assets	7		741,754		833,541
Investments	8		<u>2</u>		<u>2</u>
			<b>741,756</b>		<b>833,543</b>
<b>Current Assets</b>					
Stocks	9	221,779		246,814	
Debtors	10	2,694,073		2,486,460	
Cash at bank and in hand		<u>4,231,753</u>		<u>3,795,814</u>	
		<b>7,147,605</b>		<b>6,529,088</b>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,124,484)</u>		<u>(1,630,299)</u>	
<b>Net Current Assets</b>			<b>5,023,121</b>		<b>4,898,789</b>
<b>Total assets less current liabilities</b>			<b>5,764,877</b>		<b>5,732,332</b>
<b>Provisions for liabilities</b>	12		<b>(20,000)</b>		<b>(20,000)</b>
<b>Net Assets attributable to members</b>			<b>5,744,877</b>		<b>5,712,332</b>
<b>Represented by:</b>					
<b>Loans and other debts due to members</b>					
Members' capital classified as a liability under section 22 of FRS 102			909,311		934,789
Other amounts due to members			<u>2,702,661</u>		<u>2,451,250</u>
			<b>3,611,972</b>		<b>3,386,039</b>
<b>Equity</b>					
Members' other interests - other reserves classified as equity			<u>2,132,905</u>		<u>2,326,293</u>
			<b>5,744,877</b>		<b>5,712,332</b>
<b>Total members' interests</b>					
Loans and other debts due to members			3,611,972		3,386,039
Members' other interests			<u>2,132,905</u>		<u>2,326,293</u>
			<b>5,744,877</b>		<b>5,712,332</b>

The notes on pages 12 to 19 form an integral part of these financial statements.

These financial statements were approved by the members on **3/5/19** and were signed on their behalf by:



M Jones  
Designated Member

OC306796

**Consolidated statement of changes in equity  
for the year ended 31 August 2018**

	Loans and other debts due to members			Restated (Note 1)	Restated (Note 1)
	Members' capital £	Other Amounts £	Total £	Members' other interests £	Total Members' interests £
<b>Members' interests at 1 September 2016</b>	1,088,233	1,515,808	2,604,041	3,545,210	6,149,251
Members' remuneration charged as an expense	-	329,305	329,305	-	329,305
Profit for the financial year available for discretionary distribution	-	-	-	3,473,098	3,473,098
Members' interests after profit for the year	1,088,233	1,845,113	2,933,346	7,018,308	9,951,654
Other divisions of profit in the year	-	4,691,795	4,691,795	(4,691,795)	-
Introduced by / (repaid to) members	(93,704)	-	(93,704)	-	(93,704)
Drawings and distributions	-	(4,145,398)	(4,145,398)	-	(4,145,398)
Other Movements	(59,740)	59,740	-	-	-
<b>Members' interests at 31 August 2017 (Restated, Note 1)</b>	<u>934,789</u>	<u>2,451,250</u>	<u>3,386,039</u>	<u>2,326,513</u>	<u>5,712,552</u>

	Loans and other debts due to members			Members' other interests	Total Members' interests
	Members' capital £	Other Amounts £	Total £	£	£
<b>Members' interests at 1 September 2017</b>	934,789	2,451,250	3,386,039	2,326,513	5,712,552
Members' remuneration charged as an expense	-	352,000	352,000	-	352,000
Profit for the financial year available for discretionary distribution	-	-	-	3,315,722	3,315,722
Members' interests after profit for the year	934,789	2,803,250	3,738,039	5,642,235	9,380,274
Other divisions of profit in the year	-	3,508,318	3,508,318	(3,508,318)	-
Introduced by / (repaid to) members	39,806	-	39,806	-	39,806
Drawings and distributions	-	(3,674,191)	(3,674,191)	-	(3,674,191)
Other Movements	(65,284)	65,284	-	-	-
<b>Members' interests at 31 August 2018</b>	<u>909,311</u>	<u>2,702,661</u>	<u>3,611,972</u>	<u>2,133,917</u>	<u>5,745,889</u>

As explained in Note 1, the prior year financial statements were not prepared on a consolidated basis as a Companies Act Section 405(2) exemption was taken.

LLP statement of changes in equity  
for the year ended 31 August 2018

	Loans and other debts due to members			Members' other interests £	Total Members' interests £
	Members' capital £	Other Amounts £	Total £		
Members' interests at 1 September 2016	1,088,233	1,515,808	2,604,041	3,545,210	6,149,251
Members' remuneration charged as an expense	-	329,305	329,305	-	329,305
Profit for the financial year available for discretionary distribution	-	-	-	3,472,878	3,472,878
Members' interests after profit for the year	1,088,233	1,845,113	2,933,346	7,018,088	9,951,434
Other divisions of profit in the year	-	4,691,795	4,691,795	(4,691,795)	-
Introduced by / (repaid to) members	(93,704)	-	(93,704)	-	(93,704)
Drawings and distributions	-	(4,145,398)	(4,145,398)	-	(4,145,398)
Other Movements	(59,740)	59,740	-	-	-
Members' interests at 31 August 2017	934,789	2,451,250	3,386,039	2,326,293	5,712,332

	Loans and other debts due to members			Members' other interests £	Total Members' interests £
	Members' capital £	Other Amounts £	Total £		
Members' interests at 1 September 2017	934,789	2,451,250	3,386,039	2,326,293	5,712,332
Members' remuneration charged as an expense	-	352,000	352,000	-	352,000
Profit for the financial year available for discretionary distribution	-	-	-	3,314,930	3,314,930
Members' interests after profit for the year	934,789	2,803,250	3,738,039	5,641,223	9,379,262
Other divisions of profit in the year	-	3,508,318	3,508,318	(3,508,318)	-
Introduced by / (repaid to) members	39,806	-	39,806	-	39,806
Drawings and distributions	-	(3,674,191)	(3,674,191)	-	(3,674,191)
Other Movements	(65,284)	65,284	-	-	-
Members' interests at 31 August 2018	909,311	2,702,661	3,611,972	2,132,905	5,744,877

**Consolidated Cash flow statement  
for the year ended 31 August 2018**

	Note	2018 £	Restated (Note 1) 2017 £
<b>Cash flows from operating activities</b>			
Profit for the financial year after members' profit shares charged as an expense		3,315,722	3,473,098
<i>Adjustments for:</i>			
Depreciation	7	326,939	346,453
Profit on disposal of fixed assets	2	(6,017)	(5,722)
Profit on disposal of investments	8	-	(242,348)
Interest receivable and similar income	5	(15,467)	(7,748)
Interest payable and similar charges	6	51	6
Members' remuneration charged as an expense		<u>352,000</u>	<u>329,305</u>
		3,973,228	3,893,044
Decrease/(increase) in stocks	9	25,035	(21,804)
Increase in trade and other debtors	10	(195,828)	734,858
Increase in trade and other creditors	11	504,380	(378,048)
Decrease in provisions		-	(55,000)
Interest paid		(51)	(6)
<b>Net cash from operating activities before transactions with members</b>		<u>4,306,764</u>	<u>4,173,044</u>
Payments to and on behalf of members		(3,674,191)	(3,903,050)
<b>Net cash from operating activities</b>		<u>632,573</u>	<u>269,994</u>
<b>Cash flows from investing activities</b>			
Acquisition of tangible fixed assets	7	(252,534)	(305,858)
Proceeds from sale of tangible fixed assets		23,399	53,240
Proceeds from sale of investments		-	242,350
Interest received		15,467	7,748
Payments to and on behalf of members		-	(242,348)
<b>Net cash from investing activities</b>		<u>(213,668)</u>	<u>(244,868)</u>
<b>Cash flows from financing activities</b>			
Capital repayments to members		(80,110)	(93,704)
Capital introductions from members		119,916	-
<b>Net cash from financing activities</b>		<u>39,806</u>	<u>(93,704)</u>
Net increase in cash and cash equivalents		458,711	(68,578)
Cash and cash equivalents at 1 September		3,872,687	3,941,265
<b>Cash and cash equivalents at 31 August</b>		<u><u>4,331,398</u></u>	<u><u>3,872,687</u></u>

As explained in Note 1, the prior year financial statements were not prepared on a consolidated basis as a Companies Act Section 405(2) exemption was taken.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Limited Liability Partnership's financial statements.

#### **Basis of preparation**

The prior year financial statements presented information about the LLP as an individual undertaking, not about its group, as Section 405(2) of the Companies Act 2006 permits an individual subsidiary to be excluded from consolidation if its inclusion is not material for the purpose of giving a true and fair view. It also states that two or more undertakings may be excluded only if they are not material taken together. In the prior year, the limited liability partnership had chosen to take advantage of this section of the Act not to produce consolidated financial statements on the basis of immateriality.

Alder King LLP has guaranteed its subsidiary undertaking (Actually Marketing Limited), under section 479 of the Companies Act, thereby allowing it to take an exemption from audit under that section.

In the current year, management have decided to no longer apply the Section 405(2) exemption and the financial statements therefore reflect the consolidated position of Alder King LLP and its subsidiary ("the Group") including audited comparative information.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and The Statement of Recommended Practice, 'Accounting by Limited Liability Partnerships'. The presentation currency of these financial statements is sterling.

The parent LLP is included in the consolidated financial statement, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent LLP financial statement have been applied:

- no separate LLP cash flow statement with related note is included; and
- key management personnel compensation has not been included.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. On first time adoption, the LLP has not retrospectively changed its accounting under old UK GAAP for accounting estimates.

Judgements made by the members, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 15.

#### **Going Concern**

The Members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

#### **Fixed Assets and depreciation**

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by instalments over the estimated useful economic lives as follows:

Furniture, fixtures and fittings	-	7 years straight line
Office equipment	-	3 to 6 years straight line
Motor Vehicles	-	27% reducing balance

#### **Investments**

Fixed asset investments are carried at cost, less any provision for impairment in value.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### **Leases**

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

#### **Taxation**

Taxation on all LLP profits is solely the personal liability of individual members. Consequently neither taxation nor related deferred taxation arising in Alder King LLP are accounted for in these financial statements. Amounts retained for tax are treated in the same way as other profits of the partnership and are included in 'Members' interests' or in 'Loans and other debts due to members' depending on whether or not division of profits has occurred.

#### **Turnover**

Turnover represents the amounts (excluding value added tax) derived from the provision of surveyors services to customers. Income earned, but not yet billed is included in debtors as accrued income. Income is recognised on agency sales when unconditional exchange is achieved. Income on non agency sales is recognised when the right to revenue has been earned.

#### **Pension Costs**

The Limited Liability Partnership operates a group personal pension scheme. The amounts charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

#### **Work in Progress**

Work in progress comprises direct staff costs and a share of overhead appropriate to the relevant state of completion of the related projects. The relevant portion of the members' remuneration charged as an expense is included within work in progress. Members profit allocations are excluded.

#### **Capital**

The capital requirements of the partnership are determined from time to time by the LLP. No interest is paid on capital. On leaving the partnership a member's capital is repaid.

#### **Remuneration of members**

Remuneration is paid to certain members under a contract of employment or other contractual arrangements. Such remuneration together with related employment costs is included as an expense in the profit and loss account under the heading Members' Remuneration charged as an expense.

#### **Allocation of profits and drawings**

During the year members received monthly drawings. Alder King LLP has formally allocated profit equivalent to monthly drawings at the time it was paid. Members may also receive additional profit distributions. The level and timing of the distributions is decided by the LLP, taking into account the LLP's cash requirements for operating and investing activities. The LLP decides on the level of allocation of the remaining profit to those who are members during the year and this occurs following finalisation of the annual statements. Any over-distribution of profits during the year is recoverable from members and is included in debtors. Unallocated profits are included in other reserves in 'Members'. Members will rank alongside unsecured creditors in the event of winding up.

#### **Basic financial instruments**

##### **Trade and other debtors/creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### *Provision for liabilities*

Provisions are recognised when the LLP has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date, net of insurance cover. No separate disclosure is made of the cost and nature of the claims covered by insurance, as to do so could seriously prejudice the position of the LLP.

#### *Impairment*

##### *Financial Assets (including trade and other debtors)*

A financial asset not carried at fair value through the profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the LLP would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### *Non-financial assets*

The carrying amount of the LLP's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash generating unit is greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

An impairment is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



**Notes (continued)**

**2 Profit for the financial year available for division among members**

	2018 £	2017 £
Profit for the financial year available for division among members is stated <i>after charging</i>		
Auditor's remuneration:		
Audit of these financial statements	29,700	24,450
Other services relating to taxation	18,158	18,408
Other Services	16,622	9,700
Depreciation and other amounts written off tangible fixed assets:		
Owned	326,939	346,453
Property rental expenses (net)	477,321	514,593
<i>after crediting</i>		
Service charge income	5,324	5,361
Management charges	-	1,106
Profit on disposal of fixed assets	6,017	5,722
Profit on disposal of investments	-	242,348

**3 Particulars of members**

The average number of members of the Limited Liability for the financial year was 13 (2017: 13).

Alder King LLP has decided to formally allocate monthly drawings as profits. After the financial statements have been finalised and approved by the members, Alder King LLP makes a decision, each year, how the remaining profits should be allocated.

Remuneration attributable to the highest earning member, comprising profit allocated in the year and an estimate of his final share of 2018 profits yet to be allocated amounted to £520,006 (2017: £494,526).

**4 Staff Numbers and costs**

The average number of persons (excluding LLP members) employed by the group during the year, analysed by category, was as follows:

	Number of employees 2018	2017
Client staff	62	63
Admin/support staff	38	40
	<u>100</u>	<u>103</u>

The aggregate payroll costs of these persons (excluding LLP members) were as follows:

	2018 £	2017 £
Wages and Salaries	4,904,547	4,766,756
Social Security costs	612,732	582,376
Other pension costs (note 14)	246,573	237,911
	<u>5,763,852</u>	<u>5,587,043</u>

**5 Other interest receivable and similar income**

	2018 £	2017 £
Group and LLP		
Interest receivable	<u>15,467</u>	<u>7,748</u>

**Notes (continued)**

**6 Interest payable and similar charges**

	2018 £	2017 £
Group and LLP:		
On bank loans and overdrafts	<u>51</u>	<u>6</u>

**7 Tangible Fixed Assets**

	Furniture fixtures & fittings £	Office Equipment £	Motor Vehicles £	Total £
Group and LLP:				
<b>Cost</b>				
At beginning of year	883,608	3,116,489	738,715	4,738,812
Additions	10,775	196,503	45,256	252,534
Disposals	-	(5,343)	(61,700)	(67,043)
At end of year	<u>894,383</u>	<u>3,307,649</u>	<u>722,271</u>	<u>4,924,303</u>
<b>Depreciation</b>				
At beginning of year	751,723	2,822,194	331,354	3,905,271
Charge for the year	44,715	165,697	116,527	326,939
Disposals	-	(5,344)	(44,317)	(49,661)
At end of year	<u>796,438</u>	<u>2,982,547</u>	<u>403,564</u>	<u>4,182,549</u>
<b>Net book value</b>				
At 31 August 2018	<u>97,945</u>	<u>325,102</u>	<u>318,707</u>	<u>741,754</u>
At 31 August 2017	<u>131,885</u>	<u>294,295</u>	<u>407,361</u>	<u>833,541</u>

**Notes (continued)**

**8 Fixed asset investments**

LLP <i>Shares</i>	Shares in group undertakings £
<i>Cost</i>	
At the beginning of the year	2
Disposals	-
Additions	-
Cost at end of the year	<u>2</u>

The companies in which the LLP's interest at the end of the year is more than 20% are as follows:

<i>Subsidiary undertakings</i>	Registered Address	Principal Activity	Class and Percentage of shares held
Actually Marketing Limited	Brunswick House Gloucester Business Park Gloucester GL3 4AA	Marketing	100% Ordinary shares

On 13 February 2017 100% of the share capital of Actually Marketing Limited was acquired for £2. The company provides marketing services to the holiday lettings market.

**9 Stocks**

	2018 £	2017 £
Group and LLP		
Work in progress	<u>221,779</u>	<u>246,814</u>

Notes (continued)

	Group	Group	LLP	LLP
	2018	2017	2018	2017
	£	£	£	£
<b>10 Debtors</b>				
Trade debtors	1,778,321	1,848,667	1,778,321	1,848,667
Amounts owed by group undertakings <sup>d</sup>	-	-	50,000	49,998
Other debtors	59,981	62,658	59,791	50,685
Prepayments and accrued income	805,961	537,110	805,961	537,110
	<u>2,644,263</u>	<u>2,448,435</u>	<u>2,694,073</u>	<u>2,486,460</u>

Debtors include prepayments and accrued income of £15,036 (2017: £21,128) due after more than one year. Amounts presented in LLP as owed by group undertakings represent working capital advanced to the LLP's subsidiary. The amounts are non-interest bearing and are repayable on demand.

**11 Creditors: amounts falling due within one year**

	Group	Group	LLP	LLP
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	162,156	217,148	162,156	217,148
Other taxation and social security	576,704	314,100	527,883	275,474
Other creditors	3,238	866	3,238	866
Accruals and deferred income	1,431,207	1,136,811	1,431,207	1,136,811
	<u>2,173,305</u>	<u>1,668,925</u>	<u>2,124,484</u>	<u>1,630,299</u>

**12 Provisions for liabilities**

Group and LLP

	Other Provisions £
At the beginning and end of the year	20,000
Provisions paid in the year	-
Additional amounts provided	-
At end of year	<u>20,000</u>

Other provisions are made in respect of potential Professional Indemnity claims.

**Notes (continued)**

**13 Commitments**

Group and LLP

Gross total commitments under operating leases are as follows:

	2018 Land and Buildings £	2017 Land and Buildings £
Operating leases which expire:		
Within one year	12,184	12,393
In the second to fifth years inclusive	130,187	33,876
In over five years	<u>3,597,466</u>	<u>4,233,090</u>
	<u>3,739,837</u>	<u>4,279,359</u>

**14 Pension scheme**

The Group operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Limited Liability Partnership to the fund and amounted to £246,573 (2017: £237,911). Contributions amounting to £22,785 (2017: £22,785) were payable to the scheme and are included in creditors.

**15 Accounting estimates and judgements**

The preparation of financial statements in conformity with UK Generally Accepted Accounting Practice, including FRS102, required management to make estimates and judgements that affect the reported assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reported period. The key accounting judgements and estimates relevant to the financial statements are detailed below:

*Valuation of trade debtors and accrued income*

The trade debtors, accrued income and work in progress balances are assessed for any indications of impairment as described in note 1. Provisions are made for any balances where recovery is doubtful. The group's main clients are typically long-standing clients of the firm with good credit history, however there remains a small risk that the provisions made may not match the amounts that are ultimately collected.

**16 Related party disclosure**

Rent is paid to a pension scheme, owned by some of the Partners of Alder King LLP, in respect of some premises, part occupied, by the Partnership. Gross rents were £475,141 (2017: £468,970), £36,449 (2017: £35,976) of which was prepaid at the year end.

Alder King LLP has relied upon exemption given in FRS102 section 33 not to disclose transactions between itself and its wholly owned subsidiaries.

**17 Controlling party**

Alder King LLP is controlled by its members and as such there is no one controlling party.  
Alder King LLP is the ultimate parent entity of the smallest and largest group of undertakings to consolidate these financial statements as at 31 August 2018. No other consolidated financial statements are prepared within the group.  
The registered address of the LLP is Pembroke House, 15 Pembroke Road, Clifton, Bristol, BS8 3BA.