Limited Liability Partnership Registration No. OC315704 (England and Wales)

Spencer House Partners LLP

Annual report and financial statements for the year ended 31 March 2017

Pages for filing with the Registrar

Spencer House Partners LLP

Limited liability partnership information

Designated members	Jeremy Sillem Andrew Malcolm Knut Dahl
Limited liability partnership number	OC315704
Registered office	15 St James's Place London SW1A 1NP
Independent auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Solicitors	Herbert Smith Freehills LLP Exchange House Primrose Street London EC2A 2HS

Spencer House Partners LLP

Contents

	Page
Statement of financial position	1
Reconciliation of members' interests	2 - 3
Notes to the financial statements	4 - 10

Spencer House Partners LLP

Statement of financial position
As at 31 March 2017

	Notes	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	3		9,201		6,618
Investments	4		69,990		69,990
			79,191		76,608
Current assets					
Debtors	5	1,008,943		691,671	
Cash at bank and in hand		1,311,502		3,098,971	
		2,320,445		3,790,642	
Creditors: amounts falling due within one year	6	(689,625)		(1,206,078)	
Net current assets			1,630,820		2,584,564
Total assets less current liabilities			1,710,011		2,661,172
Represented by:					
Members' other interests					
Members' capital classified as equity			200,052		200,052
Other reserves classified as equity			1,509,959		2,461,120
Total members' interests			1,710,011		2,661,172

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

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 24/7/17 and are signed on their behalf by:

....
Andrew Malcolm
Designated member

Limited Liability Partnership Registration No. OC315704

Spencer House Partners LLP

Reconciliation of members' interests
For the year ended 31 March 2017

Current financial year	**Equity**	**Members' other interests**		**Debt**	**Total Members' interests**
	Members' capital (classified as equity)	**Other reserves**	**Total**	**Other amounts**	**Total 2017**
	£	**£**	**£**	**£**	**£**
Members' interests at 1 April 2016	200,052	2,461,120	2,661,172	-	2,661,172
Profit for the financial year available for discretionary division among members	-	1,739,970	1,739,970	-	1,739,970
Members' interests after profit for the year	200,052	4,201,090	4,401,142	-	4,401,142
Other divisions of profits	-	(2,691,131)	(2,691,131)	2,391,131	(300,000)
Drawings	-	-	-	(2,391,131)	(2,391,131)
Members' interests at 31 March 2017	200,052	1,509,959	1,710,011	-	1,710,011

Spencer House Partners LLP

Reconciliation of members' interests (continued)
For the year ended 31 March 2017

Prior financial year	Equity Members' other interests			Debt	Total Members' interests
	Members' capital (classified as equity)	Other reserves	Total	Other amounts	Total 2016
	£	£	£	£	£
Members' interests at 1 April 2015	200,052	1,626,140	1,826,192	-	1,826,192
Profit for the financial year available for discretionary division among members	-	2,702,995	2,702,995	-	2,702,995
Members' interests after profit for the year	200,052	4,329,135	4,529,187	-	4,529,187
Other divisions of profits	-	(1,868,015)	(1,868,015)	1,868,015	-
Drawings	-	-	-	(1,868,015)	(1,868,015)
Members' interests at 31 March 2016	200,052	2,461,120	2,661,172	-	2,661,172

1 Accounting policies

Limited liability partnership information

Spencer House Partners LLP is a limited liability partnership incorporated in England and Wales. The registered office is 15 St James's Place, London, SW1A 1NP.

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 companies subject to the small companies 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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Spencer House Partners LLP prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Turnover

Turnover represents amounts chargeable to clients for professional services provided during the year including recoverable expenses on client assignments but excluding Value Added Tax.

Services provided to clients, which at the balance sheet date have not been billed to clients, have been recognised as revenue. Revenue recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Revenue is only recognised where the partnership has a contractual right to receive consideration for the work undertaken.

1 Accounting policies (continued)

1.3 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.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

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.

1.4 Tangible fixed assets

Tangible fixed assets 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:

Computer equipment	3 years straight line
Fixtures, fittings & equipment	3 years straight line

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.

1.5 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1 Accounting policies (continued)

1.6 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 (or cash-generating unit) 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 (or cash-generating unit) 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.

1.7 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.

1.8 Financial instruments

The limited liability partnership 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 limited liability partnership's statement of financial position when the limited liability partnership 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.

1 Accounting policies (continued)

Basic financial assets

Basic financial assets, which include debtors, 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.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 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 fixed assets.

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

1.10 Retirement benefits and post retirement payments to members

The limited liability partnership does not run its own pension scheme and instead makes contributions to employees' and members personal pension schemes on a defined contribution basis. Contributions payable are charged to the profit and loss account in the year they are payable.

1 Accounting policies (continued)

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

1.12 Taxation

The profits of the limited liability partnership are not subject to corporation tax. Instead, the members are subject to tax on their share of the limited liability partnership's profits or capital gains on their share of the limited liability partnership's assets. There is no provision in these financial statements for the members' liabilities.

1.13 Allocation of income and drawings

The distributable profits for the current and subsequent accounting periods shall be determined by the Remaining Founder Member.

2 Employees

The average number of persons (excluding members) employed by the partnership during the year was 6 (2016 - 5).

3 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 April 2016	60,671
Additions	6,973
Disposals	(13,910)
At 31 March 2017	53,734
Depreciation and impairment	
At 1 April 2016	54,051
Depreciation charged in the year	4,392
Eliminated in respect of disposals	(13,910)
At 31 March 2017	44,533
Carrying amount	
At 31 March 2017	9,201
At 31 March 2016	6,618

4 Fixed asset investments

	2017	2016
	£	£
Investments	69,990	69,990

5 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	954,361	601,857
Other debtors	54,582	89,814
	1,008,943	691,671

6 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	6,038	8,750
Other taxation and social security	156,476	307,207
Other creditors	527,111	890,121
	689,625	1,206,078

7 Audit report information

The auditors' report was unqualified.

Michael Di Leto (Senior Statutory Auditor)
Saffery Champness LLP

Chartered Accountants
Statutory Auditors