

Registered number: OC338804

Red Sky Capital Solutions LLP

Report and Financial Statements

Year ended 31st March 2018



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Red Sky Capital Solutions LLP

LLP INFORMATION

31st March 2018

REGISTERED NUMBER	OC338804
MEMBERS	J Scott – Designated Member J Palmer – Designated Member N Scott – Member
REGISTERED OFFICE	52 Debden Road Saffron Walden Essex CB11 4AB
BANKERS	HSBC 79 Piccadilly London W1V 0EU

Red Sky Capital Solutions LLP

MEMBERS' REPORT

For the year ended 31st March 2018

The members present their report and the unaudited financial statements for the year ended 31st March 2018.

Principal activity

Red Sky Capital Solutions LLP (the "LLP") continues to act as a financial services provider but during the year opted to reduce its permissions so it is able to rely on the audit exemption available to CAD exempt firms following the UK implementation of MiFID II.

Business review and future developments

The LLP's approach of focussing on a few high quality clients has continued to pay off. Recurring revenues again increased meaning the LLP's long term future is very sound. The members are not currently actively seeking alternative sources of revenue but will consider opportunities that are of interest. Fixed costs have again fallen both in absolute terms and as a proportion of revenues. Once again we would like to thank our clients for their support during the period.

Profits

The profits for the year are £516,791 (2017: £453,247) and will be allocated amongst members in accordance with the members agreement.

Designated Members

The members who were the designated members during the year are shown below:

J Scott
J Palmer

Partners' drawings and the subscription and repayment of partners' capital

All members are equity members and share in the profits and subscribe the entire capital of Red Sky Capital Solutions LLP.

Members may make drawings to the extent of their share of profits for the year. All payments are made subject to the cash requirements of the business.

The capital contributions of members are classified as equity as they can only be repaid at the discretion of the LLP.

Charitable and political donations

The LLP made no charitable or political contributions during the year or prior year.

Statement of Members' responsibilities

Legislation applicable to the limited liability partnership in the United Kingdom requires the members to prepare financial statements for each financial year which give a true and fair view of the state of affairs and of the profit or loss of the LLP for that period. Under that legislation the members have elected to prepare financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Red Sky Capital Solutions LLP

MEMBERS' REPORT

For the year ended 31st March 2018

Statement of Members' responsibilities (continued)

In preparing those financial statements, the members are required to:

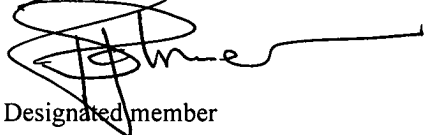
- select suitable accounting policies and apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- made judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume the LLP will continue in business

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the limited liability partnership regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution removing Whittle & Partners LLP as auditors of the LLP was proposed and agreed at a meeting of the Designated Members following the changes to the firm's FCA permissions.

On behalf of the members



Designated member

52 Debden Road
Saffron Walden
Essex
CB11 4AB

Red Sky Capital Solutions LLP

PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2018

	Note	Year to 31 st March 2018 £	Year to 31 st March 2017 £
Turnover	2	563,833	503,453
Cost of Sales		(19,500)	(16,000)
Gross profit		<u>544,333</u>	<u>487,453</u>
Administrative expenses	3	(27,542)	(34,206)
Profit for the year		<u>516,791</u>	<u>453,247</u>
Amount automatically allocated to members per the members' agreement		(516,791)	(453,247)
Profit available for discretionary distribution amongst the members		<u>£-</u>	<u>£-</u>

There is no recognised income other than the profit reported in the profit and loss account

The notes on pages 6 to 9 form part of these financial statements

Red Sky Capital Solutions LLP

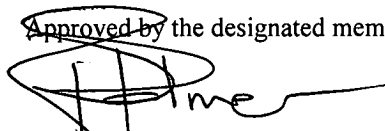
BALANCE SHEET

at 31st March 2018

		2018	2017
	Note	£	£
Current assets			
Debtors	5	12,515	65,685
Cash at bank and in hand		97,038	40,753
		<u>109,553</u>	<u>106,438</u>
Creditors: amounts falling due			
Within one year	6	3,991	9,667
		<u> </u>	<u> </u>
Net current assets		105,562	96,771
		<u> </u>	<u> </u>
Net assets attributable to members		<u>£105,562</u>	<u>£96,771</u>
Represented by:			
Loans and other debts due to members			
Other amounts	8	55,562	46,771
Capital and reserves			
Members' capital classified as a liability		50,000	50,000
		<u> </u>	<u> </u>
		<u>£105,562</u>	<u>£96,771</u>

- For the year ending 31st March 2018 the limited liability partnership 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 with respect to accounting records and the preparation of accounts.
- These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

Approved by the designated members of the LLP on 5 April 2018 and signed on its behalf by:


J Palmer
Designated Member

LLP no: OC338804

The notes on pages 6 to 9 form part of these financial statements

Red Sky Capital Solutions LLP
NOTES ON FINANCIAL STATEMENTS
For the year ending 31st March 2018

1 Accounting policies

Basis of accounting

Red Sky Capital Solutions LLP is a limited liability partnership incorporated in the United Kingdom. The address of the registered office is given in the LLP information on page 1 of these financial statements. The nature of the LLP's operations and principal activities are shown on the members report.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Statement of Recommended Practice; Accounting by Limited Liability Partnerships published in 2014 and the Companies Act 2006 (as applied to LLPs). The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the LLP and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The LLP adopted FRS 102 in the current year. Upon transition there was no effect on the comparative year

Going Concern

These financial statements have been prepared on a going concern basis.

Turnover

Fees relate to financial services provided to clients. Fees relating to introducer fees, management fees and appointed representative fees payable by clients are recognised as the services are provided. Fees relating to performance fees payable by clients are recognised when receivable.

Financial instruments

The LLP 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.

Basic financial assets, which include trade and other debtors and cash and bank balances, 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 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 LLP after deducting all of its liabilities.

Basic financial liabilities, including trade creditors, bank loans and other creditors, 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 receipts discounted at a market rate of interest.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All exchange differences are taken to the profit and loss account.

Cash flow statement

The LLP has taken advantage of the exemption from the requirement to produce a cash flow statement which is available to companies that are small.

Red Sky Capital Solutions LLP
NOTES ON FINANCIAL STATEMENTS
For the year ending 31st March 2018

1 Accounting policies (continued)

Members' interests

Members' interests are treated as equity to the extent they cannot be repaid without the consent of the LLP and as loans to the extent members are entitled to repayment on demand. These loans rank parri passu with other creditors in the event of winding up. The members' agreement provides that capital can only be repaid with the consent of the LLP. As such capital contributions qualify as equity.

In accordance with the LLP SORP automatic allocations of profit to members are treated as an expense in the profit and loss account. During the year the members' agreement was amended such that all profits are now automatically allocated amongst the members.

2 Turnover

Substantially all of the LLP's turnover has been generated from the one business class of financial services. The LLP has no geographical or business segments.

3 Members

The average number of members during the year was 3 (2017: 3)

The member who was allocated the highest profit share during the year received an allocation of £259,313 (2017: £228,123). Profits are allocated amongst the members in recognition of their contribution to the profitability of the LLP as a whole.

4 Administrative expenses

Administrative expenses include:

	Year to 31 March 2018 £	Year to 31 March 2017 £
Audit fees	-	4,500
Foreign exchange loss/(gain)	921	(499)
	<hr/>	<hr/>

5. Debtors

	2018 £	2017 £
Trade debtors	11,400	2,400
VAT recoverable	1,115	1,285
Prepayments and accrued income	-	62,000
	<hr/>	<hr/>
	<u>12,515</u>	<u>65,685</u>

Red Sky Capital Solutions LLP
NOTES ON FINANCIAL STATEMENTS
For the year ending 31st March 2018

6. Creditors – amounts falling due within one year

	2018	2017
	£	£
Trade creditors	324	-
Accruals and deferred income	3,667	9,667
	<u>3,991</u>	<u>9,667</u>

7. Financial instruments

	2018	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	12,515	3,685
	<u>12,515</u>	<u>3,685</u>
Carrying amount of financial liabilities		
Measured at amortised cost	324	-
	<u>324</u>	<u>-</u>

8. Reconciliation of Members' Interests

	Members'	Other	Total
	capital	debt	amounts
	£	£	£
Balance at 1 April 2017	50,000	46,771	96,771
Profit for the year automatically allocated among members	-	516,791	516,791
Members' interests after profit for the period	50,000	563,562	613,562
Drawings	-	(508,000)	(508,000)
Balance at 31 March 2018	<u>50,000</u>	<u>55,562</u>	<u>105,562</u>

9. Operating lease

The LLP has no lease commitments at the year end (2017: £nil)

Red Sky Capital Solutions LLP
NOTES ON FINANCIAL STATEMENTS
For the year ending 31st March 2018

10. Related parties

There were no related party transactions during the year.

11. Ultimate controlling party

In the opinion of the members there is no one controlling party.