

LONDON & EASTERN LLP

**Report of the Members
and
Financial Statements**

31st May 2017

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London & Eastern LLP
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London & Eastern LLP
LLP INFORMATION

Designated members:

P Read
M Read

Registered Office:

C/o Kemsley & Co
Carewell Lodge Racecourse Road
Dormansland
Lingfield
Surrey
RH7 6PP

Auditors:

The HHC Partnership Ltd
Chartered Accountants
Suite 2
9 West End
Kemsing
Sevenoaks
Kent
TN15 6PX

Registered Number:

OC345870



London & Eastern LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 31ST MAY 2017

The members present their annual report and the audited financial statements of the year ended 31st May 2016.

Principal activity

The LLP is authorised by the Financial Conduct Authority (FCA) as a MiFID Investment firm. The principal activity is the provision of regulated advisory and management services.

Designated Members

P Read

J Read

Members' responsibilities

Legislation applicable to limited liability partnerships requires the members to prepare accounts for each financial period that give a true and fair view of the state of affairs of the LLP and of the profit and loss for that period. The members have chosen to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

In preparing those accounts, 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 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 LLP will continue in business.

The members are responsible for keeping proper accounting records that are sufficient to show and explain the LLP's transactions and which disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that the accounts comply with the Companies Act 2006 as applicable to LLPs. 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. The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLPs website. It is important to bear in mind that legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Policy with respect to members' drawings and subscription and repayment of members' capital

Members are permitted to make drawings in anticipation of profits that will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP. They are only repayable to the LLP in so far as there are insufficient profits or balances standing on member's capital accounts with the LLP to allocate against such drawings.



London & Eastern LLP

MEMBERS' REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MAY 2017

Statement of disclosure of information to auditors

The designated members who held office at the date of approval of this Annual Report each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the LLP's auditors in connection with preparing their report) of which the auditors are unaware, and
- they have taken all the steps that they ought to have taken as designated members in order to make themselves aware of any relevant audit information and to establish that the LLP's auditors are aware of all that information.

Auditors

Following a change in the level of the LLP's permissions from the FCA, the designated members have appointed The HHC Partnership Ltd as auditors.

The HHC Partnership Ltd have indicated their willingness to continue in office and are deemed to be re-appointed under section 487(2), Companies Act 2006.

Approved by the members
and signed on their behalf



P READ
Designated member

14th September 2017



London & Eastern LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LONDON & EASTERN LLP

We have audited the financial statements of London & Eastern LLP for the year ended 31st May 2017, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes set out on pages 12 to 16. The financial reporting framework that has been applied in their preparation comprises applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland, as applied to limited liability partnerships.

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state 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.

Respective responsibilities of directors and auditors

As described in the Statement of Members' Responsibilities, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31st May 2017 and of its profit and cash flows for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; the members' report has been prepared in accordance with applicable legal requirements; and in the light of our knowledge and understanding of the company and its environment, we have not identified any material misstatements or matters that might be misleading in the report.



London & Eastern LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
LONDON & EASTERN LLP - CONTINUED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Alan Copleston

ALAN COPLESTON (Senior Statutory Auditor)
For and on behalf of THE HHC PARTNERSHIP LTD

CHARTERED ACCOUNTANTS
AND REGISTERED AUDITORS

14th September 2017

P.A.

London & Eastern LLP

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MAY 2017

	Notes	2017 £	2016 £
TURNOVER	4	8,361	55,083
Administrative expenses		(3,121)	(5,460)
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES	5	<u>£77</u>	<u>£49,623</u>
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		77	49,623
Members' remuneration charged as an expense		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>£77</u>	<u>£49,623</u>

The notes on pages 12 to 15 form an integral part of these financial statements.



London & Eastern LLP
STATEMENT OF CHANGES IN EQUITY
AT 31ST MAY 2017

	Notes	Member's capital classified as equity	Total
		£	£
Balance at 1st June 2016		186,755	186,755
Profit for the financial period available for discretionary division among members		77	77
Profits and capital payments withdrawn by members		(15,000)	(15,000)
Balance at 31st May 2017		<u>£171,832</u>	<u>£171,832</u>
Balance at 1st April 2015		293,495	293,495
Profit for the financial period available for discretionary division among members		49,623	49,623
Profits and capital payments withdrawn by members		(156,363)	(156,363)
Balance at 31st May 2016		<u>£186,755</u>	<u>£186,755</u>

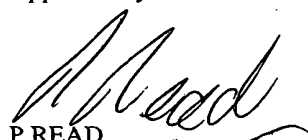
The notes on pages 12 to 15 form an integral part of these financial statements

London & Eastern LLP

BALANCE SHEET AT 31ST MAY 2017

	Notes	£	2017 £	£	2016 £
CURRENT ASSETS					
Debtors	8	176,949		190,634	
Bank balances		3,975		300	
		<u>180,924</u>		<u>190,934</u>	
CREDITORS					
Amounts falling due within one year	9	(9,092)		(4,179)	
NET CURRENT ASSETS			<u>171,832</u>		<u>186,755</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>171,832</u>		<u>186,755</u>
NET ASSETS			<u>£171,832</u>		<u>£186,755</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS WITHIN ONE YEAR					
Members' capital classified as a liability			<u>171,832</u>		<u>186,755</u>
			<u>£171,832</u>		<u>£186,755</u>
TOTAL MEMBERS' INTERESTS					
Loans and other debts due to members			<u>171,832</u>		<u>186,755</u>
			<u>£171,832</u>		<u>£186,755</u>

Approved by the Members and authorised for issue on 14th September 2017


P READ
Designated Member

LONDON & EASTERN LLP
Registration number OC345870 (England and Wales)

The notes on pages 12 to 15 form an integral part of these financial statements.



London & Eastern LLP

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MAY 2017

	2017 £	2016 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year available for discretionary division among the members	77	49,623
Adjustments for:		
(Increase)/decrease in debtors	13,685	136,793
Increase/(decrease) in creditors	4,913	(29,815)
NET CASH GENERATED FROM OPERATING ACTIVITIES	<u>156,601</u>	<u>156,601</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of tangible fixed assets	-	-
NET CASH GENERATED FROM INVESTING ACTIVITIES	<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments to members that represent a distribution of profits or otherwise amounts due to the members	(15,000)	(156,363)
NET CASH USED IN FINANCING ACTIVITIES	<u>(15,000)</u>	<u>(156,363)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	3,675	238
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	300	62
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>£3,975</u>	<u>£300</u>

The notes on pages 12 to 15 form an integral part of these financial statements.

London & Eastern LLP

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

London & Eastern LLP is a limited liability partnership incorporated in England and Wales. The registered office is at c/o Kemsley & Co, Carewell Lodge Racecourse Road, Dormansland, Lingfield, Surrey, RH7 6PP.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated:

- a) Statement of Compliance
The financial statements have been prepared in accordance with Financial Reporting Standard 102 and the Companies Act 2006.
- b) Basis of Preparation
The financial statements have been prepared under the historical cost convention.
- c) Presentation Currency
The financial statements have been prepared and are presented in pounds sterling. This is the principal operational currency of the LLP.
- d) Revenue Recognition
Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for the value of fees, and services, stated net of discounts and of Value Added Tax.

When the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes in effect a financing transaction, the fair value of the consideration is measured as the present value of all future receipts determined using an imputed rate of interest, normally the rate that discounts the nominal value of consideration to the cash sales price.

The company recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the entity and when specific criteria have been met as applicable to the relevant activity.

- e) Taxation
Taxes to be paid on profits arising in the LLP are a personal tax liability of the members and therefore are not included as a tax charge or provision within these financial statements.

Deferred tax arises from timing differences that are differences between taxable profits and total profits or losses as stated in the financial statements. Timing differences result from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and which are expected to apply to the reversal of the timing differences.



f) Financial Instruments

The company only enters into basic financial instruments transactions like trade and other accounts receivable and payable, and loans to and from related entities. Debt instruments payable or receivable within one year, typically trade payables or receivables, are measured at the undiscounted value of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade receivable deferred beyond normal business terms or financed at a rate of interest that is not a market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If any such impairment is found, an impairment loss is recognised in the profit or loss. For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

g) Operating Leases

Leases that do not transfer substantially all the risks and rewards of ownership of the leased assets to the company are classified as operating leases.

Payments made under operating leases are recognised as an expense over the lease term and taken to profit or loss on a straight line basis.

h) Borrowing Costs

All borrowing costs and related charges are recognised in profit or loss in the period in which they are incurred.

i) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, deposits available on demand and other short-term highly liquid investment that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

3. Significant Judgements and Estimates

Preparation of the financial statements may require management to make significant judgements and estimates. No significant judgements were required in preparing these financial statements.

4. Turnover

Turnover is attributable to the principal activity of the LLP and arose wholly in the UK.



London & Eastern LLP

NOTES TO THE FINANCIAL STATEMENTS - continued

5. Profit on Ordinary Operating Activities

	2017 £	2016 £
This is stated after charging:		
Auditor's remuneration:		
Audit of these financial statements	3,000	3,000

6. Members and employee Information

The average number of persons employed and remunerated by the company during the year was Nil (2016: Nil).

The average number of members during the year was 2 (2016: 2). Both were full members.

7. Taxation

The LLP has no relevant subsidiaries and it is not liable to pay corporation tax.

8. Debtors

Trade debtors	360	360
Due from related undertakings	172,839	189,759
Prepayments	3,750	515
	<u>£176,949</u>	<u>£190,634</u>

All amounts shown as debtors are due within one year.

9. Creditors

Amounts falling due within one year

Trade Creditors	1,523	242
Due to related undertakings	3,831	-
Other taxes and social security costs	-	1,490
Accruals and other creditors	3,738	2,447
	<u>£9,092</u>	<u>£4,179</u>



10. **Deferred Taxation**

The members do not consider that any provision for deferred taxation in respect of accelerated capital allowances or other timing differences was required at the balance sheet date and no provision has been made.

11. **Related Party Transactions**

The balance of £172,839 (2016: £189,759) included in debtors as due from a related undertaking consists of a balance due from London & Eastern Trading Ltd, a company under common control as London & Eastern LLP. This balance arose in 2014 and is being paid in instalments.

12. **Financial Risk Management**

The LLP has exposure to two main areas of risk; liquidity risk and customer credit exposure.

The objective of the LLP in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The LLP expects to be able to meet its financial obligations through operating cash flows and funds provided by members.

The LLP may offer credit terms to its customers that allow payment of the debt after the delivery of goods or services. The LLP is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by strong on-going customer relationships.

13. **Going Concern**

The LLP had net assets at the balance sheet date of £171,832. Included in this is the balance due from London & Eastern Trading Ltd of £182,839.

In the year to 30th June 2016 London & Eastern Trading Ltd made a loss of £24,000 and had a deficit on its balance sheet of nearly £235,000. It is currently negotiating a sale which is anticipated will generate a significant profit and enable it to pay the debt due to the LLP. The members of London & Eastern LLP are confident that London and Eastern Trading Ltd will shortly be in a position to repay the debt in full. Nevertheless there remains a significant risk that the debt may not be paid.

In the event the debt could not be repaid this would extinguish the net assets of London & Eastern LLP. However the members believe the LLP would still be able to continue in business, its activities would not be curtailed and creditors would not be at risk.

14. **Controlling Party**

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

