

PSP Isle of Wight LLP

Financial Statements

Period Ended

31 March 2019

Company Number OC401283

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PSP Isle of Wight LLP

Limited Liability Partnership Information

Designated Members

PSP Facilitating Limited
Isle of Wight Council

LLP registered number

OC401283

Registered office

Synergy House, 114 - 118 Southampton Row, London, England, WC1B 5AA

Independent auditor

BDO LLP, London, UK, 55 Baker Street, London, W1U 7EU

PSP Isle of Wight LLP

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PSP Isle of Wight LLP

Members' Report For the Period Ended 31 March 2019

The members present their annual report together with then audited financial statements of PSP Isle of Wight LLP (the "LLP") for the period ended 31 March 2019. The comparatives are for the year ended 30 April 2018.

Principal activity

The principal activity of the LLP is the development of sites as part of the regeneration of the Isle of Wight.

Designated members

PSP Facilitating Limited and Isle of Wight Council were designated members of the LLP throughout the period.

Members' capital and interests

Each member's subscription to the capital of the LLP is determined by their share of the profit and is repayable following retirement from the LLP.

Details of changes in members' capital in the period ended 31 March 2019 are set out in the reconciliation of members' interests.

Net profit or loss for each accounting period shall be allocated to the members in proportion to their percentage interests during the relevant period.

Disclosure of information to auditor

Each of the persons who are members at the time when this members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Auditor

The auditor, BDO LLP, has indicated its willingness to continue in office. The designated members will propose a motion re-appointing the auditor at a meeting of the members.

This report was approved by the members on 23/12/19 and signed on their behalf by:

PSP Facilitating Limited
Designated member



PSP Isle of Wight LLP

Members' Responsibilities Statement For the Period Ended 31 March 2019

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations 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 LLP and of the profit or loss of the LLP for that period.

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

- select suitable accounting policies for the LLP's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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 the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. 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.

PSP Isle of Wight LLP

Independent Auditor's Report to the Members of PSP Isle of Wight LLP

Opinion

We have audited the financial statements of PSP Isle of Wight LLP (the 'the LLP') for the period ended 31 March 2019 which comprise the statement of comprehensive income, the statement of financial position, the reconciliation of members' interests and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2019 and of its loss 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 applied to the limited liability partnership by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit service we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for use.

PSP Isle of Wight LLP

Independent Auditor's Report to the Members of PSP Isle of Wight LLP (continued)

Other information

The members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, including and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 as applied to limited liability partnerships 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; or
- the members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the members' report.

Responsibilities of members

As explained more fully in the members' responsibilities statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing 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 the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

PSP Isle of Wight LLP

Independent Auditor's Report to the Members of PSP Isle of Wight LLP (continued)

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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. 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.

BDO LLP

Christopher Young (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London

23/12/2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

PSP Isle of Wight LLP

Statement of Comprehensive Income For the Period Ended 31 March 2019

		11 month period ended 31 March 2019 £	Year ended 30 April 2018 £
Cost of sales		(10,367)	(5,900)
Gross loss		(10,367)	(5,900)
Administrative expenses		(9,101)	(8,275)
Operating loss		(19,468)	(14,175)
Loss for the period/year before members' remuneration and profit shares		(19,468)	(14,175)
Members' remuneration charged as an expense	5	19,468	14,175
Results for the financial period/year available for discretionary division among members		-	-

There was no other comprehensive income for 2019 (year ended 30 April 2018 - £Nil).

The notes on pages 9 to 12 form part of these financial statements.

PSP Isle of Wight LLP
Registered number: OC401283

Statement of Financial Position
As at 31 March 2019

	Note	31 March 2019 £	31 March 2019 £	30 April 2018 £	30 April 2018 £
Current assets					
Stocks	6	280,872		103,104	
Debtors: amounts falling due within one year	7	255,215		122,903	
Cash at bank and in hand		344		7,457	
		<u>536,431</u>		<u>233,464</u>	
Creditors: amounts falling due within one year	8	(33,785)		(13,020)	
Net assets			<u><u>502,646</u></u>		<u><u>220,444</u></u>
Represented by:					
Loans and other debts due to members within one year					
Other amounts	9		502,644		220,442
Members' other interests					
Members' capital classified as equity			2		2
			<u><u>502,646</u></u>		<u><u>220,444</u></u>
Total members' interests					
Amounts due from members (included in debtors)	7		(232,156)		(122,186)
Loans and other debts due to members	9		502,644		220,442
Members' other interests			2		2
			<u><u>270,490</u></u>		<u><u>98,258</u></u>

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 23/12/19



PSP Facilitating Limited
Designated member

The notes on pages 9 to 12 form part of these financial statements.

PSP Isle of Wight LLP

Reconciliation of Members' Interests For the Period Ended 31 March 2019

	Equity Members' other interests	Debt Loans and other debts due to members less any amounts due from members in debtors	Total members' interests
	Members' capital (classified as equity) £	Other amounts £	Total £
Amounts due to members		80,134	
Amounts due from members		(82,163)	
Balance at 1 May 2017	2	(2,029)	(2,027)
Allocated loss	-	(40,023)	(40,023)
Members' interests after profit for the period	2	(42,052)	(42,050)
Amounts introduced by members	-	114,460	114,460
Interest on capital	-	8,646	8,646
Facilitation returns due to members	-	17,202	17,202
Amounts due to members		220,442	
Amounts due from members		(122,186)	
Balance at 30 April 2018	2	98,256	98,258
Allocated loss	-	(109,970)	(109,970)
Members' interests after profit for the period	2	(11,714)	(11,712)
Amounts introduced by members	-	203,972	203,972
Facilitation and resource returns due to members	-	78,230	78,230
Amounts due to members		502,644	
Amounts due from members		(232,156)	
Balance at 31 March 2019	2	270,488	270,490

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of members' other interests.

The notes on 9 to 13 form part of these financial statements.

PSP Isle of Wight LLP

Notes to the Financial Statements For the Period Ended 31 March 2019

1. General information

PSP Isle of Wight LLP is a limited liability partnership incorporated in England and Wales. Its registered office is given on the limited liability partnership information page and the nature of the LLP's operations and its principal activity is shown in the members report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" other than where additional disclosure require to show a true and fair view.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the LLP's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern

The members have made an assessment as to whether the LLP is a going concern. The members consider that the LLP is able to continue as a going concern due to ongoing support from PSP Facilitating Limited, company that jointly controls the LLP. The LLP has obtained confirmation of ongoing support from PSP Facilitating Limited.

2.3 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

PSP Isle of Wight LLP

Notes to the Financial Statements For the Period Ended 31 March 2019

2. Accounting policies (continued)

2.6 Financial instruments

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount 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 debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the members have made the following judgements:

Carrying value of stocks

In applying the LLP's accounting policy for the valuation of stocks the members are required to assess the expected selling price and costs to complete and sell each scheme. Estimation of the selling price is subject to significant inherent uncertainties, in particular the prediction of future trends in the market value of property.

4. Auditors' remuneration

	11 month period ended 31 March 2019 £	Year ended 30 April 2018 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual financial statements	2,638	2,500

PSP Isle of Wight LLP

Notes to the Financial Statements For the Period Ended 31 March 2019

5. Allocated loss

	11 month period ended 31 March 2019 £	Year ended 30 April 2018 £
Members' remuneration charged as an expense	(19,468)	(14,175)
Facilitation returns payable to a member	(78,230)	(17,202)
Interest on capital	(12,272)	(8,646)
Resource return due from members	-	-
	<u>(109,970)</u>	<u>(40,023)</u>

6. Stocks

	31 March 2019 £	30 April 2018 £
Stock	<u>280,872</u>	<u>103,104</u>

7. Debtors: amounts falling due within one year

	31 March 2019 £	30 April 2018 £
Other debtors	23,059	717
Amounts due from members	232,156	122,186
	<u>255,215</u>	<u>122,903</u>

8. Creditors: amounts falling due within one year

	31 March 2019 £	30 April 2018 £
Trade creditors	23,790	1,215
Accruals and deferred income	9,995	11,805
	<u>33,785</u>	<u>13,020</u>

PSP Isle of Wight LLP

Notes to the Financial Statements For the Period Ended 31 March 2019

9. Loans and other debts due to members

	31 March 2019 £	30 April 2018 £
Other amounts due to members	<u>502,644</u>	<u>220,442</u>

Loans and other debts due to members may be further analysed as follows:

	31 March 2019 £	30 April 2018 £
Falling due within one year	<u>502,644</u>	<u>220,442</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

10. Related party transactions

As at 31 March 2019, the LLP was owed £232,156 (year ended 30 April 2018 - £122,186) by its members, PSP Facilitating Limited and Isle of Wight Council in respect of losses accumulated by the LLP.

As at 31 March 2019, LLP owed £502,644 (year ended 30 April 2018 - £220,442) to PSP Facilitating Limited.

11. Controlling party

The LLP is jointly controlled by PSP Facilitating Limited and Isle of Wight Council, and as such there is no ultimate controlling party.