

Mactaggart & Mickel Anniesland LLP

Annual report and financial statements

Registered number SO303183

30 April 2018

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Members' report

The members present their members' report and financial statements for the year ended 30 April 2018.

Principal activities

The principal activity of the LLP during the year was property investment.

Results for the year and allocation to members

The profit for the financial year before members' remuneration and profit shares was £155,000 (2017: £190,000).

Members

The members who held office during the year and to the date of the signing of the financial statements were as follows:

Mactaggart & Mickel Anniesland Commercial Limited
Mactaggart & Mickel Limited Retirement Benefits Scheme

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members

Any distribution or withdrawal of capital shall be distributed to the Members pro rata to the amount of their Capital Contributions.

The net profits brought out in the financial statements for each financial year shall be allocated in those financial statements to the respective members pro rata to the amount of their respective capital contributions.

The LLP shall after the finalisation of the financial statements in respect of a given financial year, divide the net profits in proportion to members capital and allocate to each member's current account that member's share of the net profits for that financial year (to the extent they have not already been divided and allocated) together with any unallocated net profits (as the case may be) in respect of previous financial years.

The LLP may at any time during a financial year make such allocations to the members on account of the anticipated net profits for that financial year as the LLP Board may resolve.

Withdrawals from the current accounts of the respective members may not be made by one member unless a withdrawal is also made by the other member at the same time, and such that the proportions withdrawn by the respective members on that occasion (out of the total sum withdrawn by both members on that occasion) shall be pro rata to the amount of their respective capital contributions.

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

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.

Signed on behalf of the members



Andrew Mickel
Director of Designated Member
Mactaggart & Mickel Anniesland Commercial Ltd

1 Atlantic Quay
1 Robertson Street
Glasgow
G2 8JB

January 2019

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 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 financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *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 LLP and of its profit or loss for that period. In preparing these 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 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 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 LLP and to prevent and detect fraud and other irregularities.



Independent auditor's report to the members of Mactaggart & Mickel Anniesland LLP

Opinion

We have audited the financial statements of Mactaggart & Mickel Anniesland LLP ("the LLP") for the year ended 30 April 2018 which comprise the profit and loss account, balance sheet, statement of changes in members' equity 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 LLP as at 30 April 2018 and of its result 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) (Application of 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 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.

Going concern

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that 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 its 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 LLP's business model, including the impact of Brexit, and analysed how those risks might affect 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 LLP will continue in operation.

Other information

The members are responsible for the 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 Mactaggart & Mickel Anniesland 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, 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 financial statements in accordance with the small limited liability partnerships' regime.

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 2, 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 financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate 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/auditorsresponsibilities.

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 LLPs (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 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.



Katie Morrison (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

319 St Vincent Street, Glasgow, G2 5AS

29 January 2019

Profit and Loss Account
for the year ended 30 April 2018

	<i>Note</i>	2018 £000	2017 £000
Turnover	<i>1</i>	168	195
Cost of sales		(8)	(4)
		<hr/>	<hr/>
Gross profit		160	191
Administrative expenses		(5)	(1)
		<hr/>	<hr/>
Operating profit and profit before taxation	<i>2</i>	155	190
Tax on profit before taxation	<i>3</i>	-	-
		<hr/>	<hr/>
Profit for the financial year before members' remuneration and profit shares		155	190
Members' remuneration charged as an expense		(155)	(190)
		<hr/>	<hr/>
Profit for the financial year available for discretionary division among members		-	-
		<hr/>	<hr/>

The LLP's turnover and expenses all relate to continuing operations.

There has been no other comprehensive income other than the result (*2017: result*) for the year; accordingly no Statement of comprehensive income is presented.

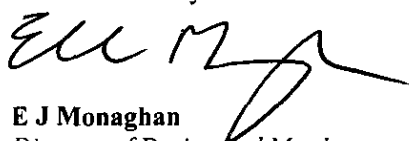
Balance Sheet
at 30 April 2018

	<i>Note</i>	2018 £000	2018 £000	2017 £000	2017 £000
Fixed assets					
Investment Properties	4		2,392		2,229
Current assets					
Debtors	5	-		78	
Cash at bank and in hand		325		172	
		<u>325</u>		<u>250</u>	
Creditors: amounts falling due within one year	6	(530)		(292)	
		<u></u>		<u></u>	
Net current liabilities			(205)		(42)
			<u></u>		<u></u>
Total assets			2,187		2,187
			<u></u>		<u></u>
Net assets attributable to members			2,187		2,187
			<u></u>		<u></u>
Represented equity:					
Equity					
Members' other interests – members' capital		2,187		2,187	
		<u></u>		<u></u>	
			2,187		2,187
			<u></u>		<u></u>

These accounts have been prepared in accordance with the special provisions of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) applicable to LLPs subject to the small LLPs regime.

The LLP is applying Small Entities of Financial Reporting Standard regime under FRS 102 Section 1A.

These financial statements were approved by the members and authorised for issue on 29 January 2019 and are signed on their behalf by:



E J Monaghan
Director of Designated Member
Mactaggart & Mickel Anniesland Commercial Ltd

Registered number SO303183

Statement of changes in members' equity

	2018 Members' capital £000	2018 Profit and loss account £000	2018 Total equity £000	2017 Members' Capital £000	2017 Profit and Loss account £000	2017 Total Equity £000
Balance at 1 May	2,187	-	2,187	2,187	-	2,187
Total comprehensive income/(expense) for the period						
Profit or loss for the financial year	-	155	155	-	190	190
Total comprehensive income/(expense) for the year	-	155	155	-	190	190
Members remuneration	-	(155)	(155)	-	(190)	(190)
Total contributions by and distributions to owners	-	(155)	(155)	-	(190)	(190)
Balance at 30 April	2,187	-	2,187	2,187	-	2,187

Notes

(forming part of the financial statements)

1 Accounting policies

Mactaggart & Mickel Anniesland LLP (the “LLP”) is a limited liability partnership limited by members’ capital and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Section 1A Small Entities of Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (“FRS 102”) as issued in August 2014. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

Under section 1A small entities of FRS 102 the Company is not required to prepare a cash flow statement.

Members’ participation rights

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 FRS 102.11 *Basic Financial Instruments*. A member’s participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members’ capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the profit and loss account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the balance sheet. Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the profit and loss account and are equity appropriations in the balance sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the balance sheet within ‘Loans and other debts due to members’ and are charged to the profit and loss account within ‘Members’ remuneration charged as an expense’. Amounts due to members that are classified as equity are shown in the balance sheet within ‘Members’ other interests’.

Accounting Estimates and Judgement

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 10.

Notes *(continued)*

1 Accounting policies *(continued)*

Going Concern

Notwithstanding net current liabilities of £205,000 as at 30 April 2018, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of twelve months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its member company, Mactaggart & Mickel Commercial Developments Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on Mactaggart & Mickel Commercial Developments Limited not seeking repayment of the amounts currently due to the group, and providing additional financial support during that period. Mactaggart & Mickel Commercial Developments Limited has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

Turnover

Turnover, all of which is derived wholly from operations within the United Kingdom, represents income from the letting of commercial property.

Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in profit or loss in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

If a reliable measure is not available without undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets in accordance with section 17 until a reliable measure of fair value becomes available.

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)

2 Expenses and auditor's remuneration

Operating profit is stated after charging:

	2018 £000	2017 £000
<i>Auditor's remuneration:</i>		
Audit of these financial statements	1	1

The Company has no employees and therefore does not incur staff costs.

3 Taxation

As members are personally liable for taxation on their share of the profits of the LLP there is no corporation or deferred tax charge.

4 Investment properties

	Commercial Investment Properties £000
At beginning of year	2,229
Additions in the year	163
At end of year	2,392

The LLP's investment properties are measured based on valuation by external third parties. The historical cost and fair value of these investment properties at 30 April 2018 was £2,392,000. If the investment properties were disposed of at their fair value, no charge for taxation would arise.

5 Debtors

	2018 £000	2017 £000
Other debtors	-	78

6 Creditors: amounts falling due within one year

	2018 £000	2017 £000
Other creditors	17	12
Amounts owed to members	512	280
Accrued charges	1	-
	530	292

Notes (continued)

7 Related party transactions

As a member of Mactaggart and Mickel Group, the Company is exempt from the requirements of FRS102.33 to disclose transactions with other members of the group headed by Mactaggart and Mickel Group Limited. Transactions with other related parties are summarised below:

A balance of £357,000 (2017: £33,000) remains due to Mactaggart & Mickel Anniesland Commercial Limited at 30 April 2018. The LLP entered into transactions with Mactaggart & Mickel Anniesland Commercial Limited totalling £161,000 (2017: £1,000) in the year while the remainder of the balance relates to profit distributable for the year.

A balance of £46,000 (2017: £57,000) remains due to Mactaggart & Mickel Limited Retirements Benefit Scheme at 30 April 2018. The balance relates to profit distributable for the year.

8 Operating leases

Leases as lessor

Investment property is let under operating leases. The future minimum lease payments receivable under non-cancellable leases are as follows:

	2018 £000	2017 £000
Less than one year	-	195
Between one and five years	-	-
	<u>-</u>	<u>195</u>

9 Financial Instruments

9 (a) Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2018 £000	2017 £000
Assets measured at fair value through profit or loss		
- Investment property	2,392	2,229
Assets measured at amortised cost		
- Cash and cash equivalents	325	172
- Trade and other receivables	-	78
Liabilities measured at amortised cost		
- Trade and other creditors	18	102

9 (b) Financial instruments measured at fair value

The fair value of investment properties are measured based on valuation by external third parties. Any gains or losses arising from the change in fair value are recognised in the profit and loss account.

Notes (continued)

10 Accounting Estimates & Judgements

Key sources of uncertainty

The LLP makes estimates and assumptions concerning the future. The resulting estimate will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year are outlined below.

Fair value of investment properties

In determining the fair value of investment property the LLP uses the market value for existing use as provided by external third parties. The valuation of freehold property is inherently difficult due to the individual nature and circumstances of each property. The Members are of the opinion that the investment property is being held at fair value at £2,392,000.

11 Ultimate parent company

The LLP is a subsidiary undertaking of Mactaggart & Mickel Anniesland Commercial Limited. The ultimate controlling party is Mactaggart & Mickel Group Limited.

The largest group in which the results of the LLP are consolidated is that headed by Mactaggart & Mickel Group Limited, incorporated in Scotland. No other group financial statements include the results of the LLP. The consolidated financial statements of the group are available to the public and may be obtained from its registered office at 1 Atlantic Quay, 1 Robertson Street, Glasgow, G2 8JB.