Registration number: OC370340

Avocet Steel LLP

Annual Report and Unaudited Financial Statements

for the Year Ended 30 September 2017

Avocet Steel LLP

Contents

Avocet Steel LLP

Limited liability partnership information

Designated members	Mr Graham Hall Mrs Heather Hall Mr Gareth Hall Mr Kieren Hall
Registered office	1 Knutsford Road Alderley Edge Cheshire SK9 7SD
Accountants	Hallidays Chartered Accountants Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD

Avocet Steel LLP

(Registration number: OC370340)
Balance Sheet as at 30 September 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	3	37,998	50,775
Current assets			
Debtors	4	32,571	25,317
Cash and short-term deposits		12,190	16,001
		44,761	41,318
Creditors: Amounts falling due within one year	5	(52,507)	(54,240)
Net current liabilities		(7,746)	(12,922)
Total assets less current liabilities		30,252	37,853
Creditors: Amounts falling due after more than one year	6	(30,252)	(37,809)
Net assets attributable to members		-	44
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		-	44
		-	44
Total members' interests			
Amounts due from members		(19,900)	(15,570)
Loans and other debts due to members		-	44
		(19,900)	(15,526)

For the year ending 30 September 2017 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied to limited liability partnerships relating to small entities.

These financial statements have been delivered in accordance with the provisions available to companies subject to the small companies regieme, as applied to limited liability partnerships and the option not to file the Profit and Loss Account has been taken.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, as applied to limited liability partnerships.

The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The notes on pages 5 to 11 form an integral part of these financial statements.

Avocet Steel LLP

(Registration number: OC370340)
Balance Sheet as at 30 September 2017 (continued)

The financial statements of Avocet Steel LLP (registered number OC370340) were approved by the Board and authorised for issue on 15/3/18......... They were signed on behalf of the limited liability partnership by:

....
Mr Graham Hall
Designated member

Avocet Steel LLP

Statement of Changes in Members' Interests
At 30 September 2017

	Loans and other debts due to/(from) members		
	Members' capital classified as a liability	Members' other amounts	Total 2017
	£	£	£
Members' interest at 1 October 2016 as restated	43	-	43
Members' remuneration charged as an expense	-	(4,374)	(4,374)
At 30 September 2017	43	(4,374)	(4,331)

	Loans and other debts due to/(from) members	
	Members' other amounts	Total 2017
	£	£
Members' remuneration charged as an expense	(8,311)	(8,311)
At 30 September 2016	(8,311)	(8,311)

Avocet Steel LLP

Notes to the Financial Statements

1 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

General information and basis of accounting
The limited liability partnership is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of Avocet Steel LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the limited liability partnership operates. Foreign operations are included in accordance with the policies set out below.

Going concern
The financial statements have been prepared on a going concern basis.

Revenue recognition
Revenue is recognised to the extent that the limited liability partnership obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax or duty.

Members' remuneration and division of profits
The SORP recognises that the basis of calculating profits for allocation may differ from the profits reflected through the financial statements prepared in compliance with recommended practice, given the established need to seek to focus profit allocation on ensuring equity between different generations and populations of members.

Consolidation of the results of certain subsidiary undertakings, the provision for annuities to current and former members, pension scheme charges, the spreading of acquisition integration costs and the treatment of long leasehold interests are all items which may generate differences between profits calculated for the purpose of allocation and those reported within the financial statements. Where such differences arise, they have been included within other amounts in the balance sheet.

Members' fixed shares of profits (excluding discretionary fixed share bonuses) and interest earned on members' balances are automatically allocated and, are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.
The remainder of profit shares, which have not been allocated until after the balance sheet date, are treated in these financial statements as unallocated at the balance sheet date and included within other reserves.

1 Accounting policies (continued)

Foreign currency
Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Taxation
The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

Tangible fixed assets
Individual fixed assets costing or more are initially recorded at cost.

Depreciation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% Reducing balance
Office equipment	33% Straight line

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the limited liability partnership will not be able to collect all amounts due according to the original terms of the receivables.

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

Hire purchase and leasing
Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the partnership, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

1 Accounting policies (continued)

Members' interests
Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

Financial instruments

Classification
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the limited liability partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1 Accounting policies (continued)

Recognition and Measurement
Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.
With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.
Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Impairment of financial assets
Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the limited liability partnership transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the limited liability partnership, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

1 Accounting policies (continued)

Derivative financial instruments and hedging

Derivatives

The limited liability partnership uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The limited liability partnership does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Hedging

The limited liability partnership designates certain derivatives as hedging instruments in respect of variable interest rate risk of the cash flows associated with recognised debt instruments measured at amortised cost and in respect of foreign exchange risk in firm commitments and highly probable forecast transactions.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with the clear identification of the risk in the hedged item that is being hedged by the hedging instrument. Furthermore, at the inception of the hedge and on an ongoing basis, the limited liability partnership assesses whether the hedging instrument is highly effective in offsetting the designated hedged risk. The effective portion of changes in the fair value of the designated hedging instrument is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods in which the hedged item affects profit or loss or when the hedging relationship ends.

Hedge accounting is discontinued when the limited liability partnership revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time is reclassified to profit or loss when the hedged item is recognised in profit or loss. When a forecast transaction is no longer expected to occur, any gain or loss that was recognised in other comprehensive income is reclassified immediately to profit or loss.

Current versus non-current classification

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

In the limited liability partnership balance sheet, investments in subsidiaries and associates are measured at cost less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

2 Loss for the year before members' remuneration charged as an expense

	2017 £	2016 £
Depreciation	12,777	14,485
(Profit)/loss on disposal of tangible fixed assets	-	(9,231)

3 Tangible fixed assets

	Motor vehicles £	Office equipment £	Total £
Cost			
At 1 October 2016	64,760	500	65,260
At 30 September 2017	64,760	500	65,260
Depreciation			
At 1 October 2016	14,318	167	14,485
Charge for the year	12,611	166	12,777
At 30 September 2017	26,929	333	27,262
Net book value			
At 30 September 2017	37,831	167	37,998
At 30 September 2016	50,442	333	50,775

Hire purchase agreements
Included within the total net book value of tangible fixed assets is £37,831 (2016: £50,442) in respect of assets held under finance lease and similar hire purchase contracts. Depreciation for the year on these assets was £12,611 (2016: £14,318).

4 Debtors

	2017 £	2016 £
Trade debtors	9,253	7,525
Other debtors	20,800	16,508
Prepayments and accrued income	2,518	1,284
Total current trade and other debtors	32,571	25,317

5 Creditors: Amounts falling due within one year

	2017 £	2016 £
Obligations under finance leases and hire purchase contracts	7,557	7,557
Other creditors	43,220	45,220
Accruals and deferred income	1,730	1,463
	52,507	54,240

6 Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Obligations under finance leases and hire purchase contracts	30,252	37,809

7 Related party transactions

Summary of transactions with other related parties
Avocet Steel Strip Limited.
A company in which Mr G Hall, Mrs H Hall and Mr K Hall are all directors and shareholders.
At the balance sheet date £43,220 (2016: £45,220) was due to Avocet Steel Strip Limited.

During the year there were management charges, charged from Avocet Steel Strip Limited for £35,000 (2016: £20,000).

8 Control

The members are the controlling party by virtue of their controlling interest in the limited liability partnership. The ultimate controlling party is the same as the controlling party.

9 Transition to FRS 102

There were no adjustments to the financial statements on transition to FRS 102.