

REGISTERED NUMBER: SO306642 (Scotland)

East Lothian Mid-Market Homes LLP

Report of the Members and

Financial Statements

for the Period

18 February 2019 to 31 March 2020

Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AT

East Lothian Mid-Market Homes LLP

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for the Period 18 February 2019 to 31 March 2020**

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East Lothian Mid-Market Homes LLP
General Information
for the Period 18 February 2019 to 31 March 2020

DESIGNATED MEMBERS: East Lothian Council
Scottish Futures Trust Investments Ltd

REGISTERED OFFICE: John Muir House
Haddington
EH41 3HA

REGISTERED NUMBER: SO306642 (Scotland)

AUDITORS: Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AT

East Lothian Mid-Market Homes LLP

Report of the Members for the Period 18 February 2019 to 31 March 2020

The members present their report with the financial statements of the LLP for the period 18 February 2019 to 31 March 2020.

INCORPORATION

The LLP was incorporated on 18 February 2019 and commenced trading on 17 July 2019.

PRINCIPAL ACTIVITY

The principal activity of the LLP in the period under review was that of property management.

DESIGNATED MEMBERS

The designated members during the period under review were:

East Lothian Council
Scottish Futures Trust Investments Ltd

RESULTS FOR THE PERIOD AND ALLOCATION TO MEMBERS

The profit for the period before members' remuneration and profit shares was £54,001.

MEMBERS' INTERESTS

During the period the members may receive drawings which represent a payment on account of the profits, which is credited to the members' current account. On ascertainment of the profits for an accounting period, any undrawn share of profits for the period will be automatically allocated to the members' in accordance with the LLP agreement.

On leaving the LLP, any remaining profit share and members' capital is converted to a loan and repaid in accordance with the LLP agreement.

STATEMENT OF MEMBERS' RESPONSIBILITIES

The members are responsible for preparing the Report of the Members and the financial statements in accordance with applicable law and regulations.

Legislation applicable to limited liability partnerships requires 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under legislation applicable to limited liability partnerships 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 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.

East Lothian Mid-Market Homes LLP

**Report of the Members
for the Period 18 February 2019 to 31 March 2020**

STATEMENT OF MEMBERS' RESPONSIBILITIES - continued

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 Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the members are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the LLP's auditors are unaware, and each member has taken all the steps that he ought to have taken as a member in order to make himself aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

AUDITORS

The auditors, Whitelaw Wells, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE MEMBERS:

East Lothian Council

East Lothian Council - Designated member

1 September 2020

**Report of the Independent Auditors to the Members of
East Lothian Mid-Market Homes LLP**

Opinion

We have audited the financial statements of East Lothian Mid-Market Homes LLP (the 'LLP') for the period ended 31 March 2020 which comprise the Income Statement, Balance Sheet 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 2020 and of its profit 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 LLPs 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 under those standards are further described in the Auditors' 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 evidence 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 issue.

**Report of the Independent Auditors to the Members of
East Lothian Mid-Market Homes LLP**

Other information

The members are responsible for the other information. The other information comprises the information in the Report of the Members, but does not include the financial statements and our Report of the Auditors 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 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 where the Companies Act 2006 as applied to LLPs 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 LLPs regime.

Responsibilities of members

As explained more fully in the Statement of Members' Responsibilities set out on pages two and three, 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 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.

**Report of the Independent Auditors to the Members of
East Lothian Mid-Market Homes LLP**

Auditors' 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 a Report of the Auditors 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 Report of the Auditors.

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 as applied to LLPs by the Limited Liability Partnerships (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 a Report of the Auditors 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.



Ingela Louise Presslie (Senior Statutory Auditor)
for and on behalf of Whitelaw Wells
Statutory Auditor
9 Ainslie Place
Edinburgh
Midlothian
EH3 6AT

1 September 2020

East Lothian Mid-Market Homes LLP

**Income Statement
for the Period 18 February 2019 to 31 March 2020**

	Notes	£
TURNOVER		196,704
Administrative expenses		<u>142,703</u>
OPERATING PROFIT and PROFIT FOR THE FINANCIAL PERIOD BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS		<u>54,001</u>

The notes form part of these financial statements

East Lothian Mid-Market Homes LLP (Registered number: SO306642)

Balance Sheet
31 March 2020

	Notes	£
CURRENT ASSETS		
Debtors	6	31,397
Cash at bank		134,269
		<u>165,666</u>
CREDITORS		
Amounts falling due within one year	7	111,663
		<u>111,663</u>
NET CURRENT ASSETS		<u>54,003</u>
TOTAL ASSETS LESS CURRENT LIABILITIES and NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>54,003</u>
LOANS AND OTHER DEBTS DUE TO MEMBERS	9	54,001
MEMBERS' OTHER INTERESTS		
Capital accounts		2
		<u>54,003</u>
TOTAL MEMBERS' INTERESTS		
Loans and other debts due to members	9	54,001
Members' other interests		2
		<u>54,003</u>

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

The financial statements were approved by the members of the LLP and authorised for issue on 1 September 2020 and were signed by:

East Lothian Council

East Lothian Council - Designated member

The notes form part of these financial statements

East Lothian Mid-Market Homes LLP

Notes to the Financial Statements for the Period 18 February 2019 to 31 March 2020

1. STATUTORY INFORMATION

East Lothian Mid-Market Homes LLP is registered in Scotland. The LLP's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover is income from rental and is included in profit or loss in the period in which it is receivable.

Financial instruments

Financial instruments comprise financial assets and financial liabilities which are recognised when the company becomes a party to the contractual provisions of the instrument. Financial instruments are classified as "basic" in accordance with FRS102 and are accounted for at the settlement amount due, which equates to the cost. Financial assets comprise cash and other debtors. Financial liabilities comprise accruals and other creditors.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Members' drawings

The profits of the LLP are automatically divided among the members in accordance with the Members' Agreement.

There are no discretionary profit allocations.

Taxation

The taxation payable on the partnership profits is the personal liability of the members during the year and consequently neither taxation nor related deferred taxation is accounted for in the financial statements.

Amounts retained for tax are treated in the same way as other profits and are so included in "Loans and other debts due to members" or "Members' interests" depending on whether or not division of profit has occurred.

East Lothian Mid-Market Homes LLP

Notes to the Financial Statements - continued
for the Period 18 February 2019 to 31 March 2020

2. ACCOUNTING POLICIES - continued

Going concern

The accounts have been prepared on a going concern basis. The senior management teams' going concern assessment includes the expected impact of COVID-19 to the LLP for a period of at least 12 months from the date of signing of these financial statements.

3. EMPLOYEE INFORMATION

The average number of employees during the period was NIL.

4. OPERATING PROFIT

The operating profit is stated after charging:

Auditors' remuneration	£
	3,300
Auditors' remuneration for non audit work	1,500
	<u> </u>

5. INFORMATION IN RELATION TO MEMBERS

The average number of members during the period was	2
	<u> </u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Amounts owed by group undertakings	30,737
Other debtors	660
	<u> </u>
	<u>31,397</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Other creditors	£
	111,663
	<u> </u>

East Lothian Mid-Market Homes LLP

**Notes to the Financial Statements - continued
for the Period 18 February 2019 to 31 March 2020**

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	£
Within one year	245,208
Between one and five years	980,832
In more than five years	8,445,525
	<hr/> <hr/>
	9,671,565

The above does not reflect any annual reviews of the initial yearly payment.

9. LOANS AND OTHER DEBTS DUE TO MEMBERS

In accordance with the SORP "Accounting by Limited Liability Partnerships" all amounts due to members are classified as a liability.

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

10. RELATED PARTY DISCLOSURES

At the start of the period, prior to the LLP opening its own bank account, all income and expenditure were received and paid through East Lothian Council. The balance owed from East Lothian Council at the period end was £30,736.

The LLP paid East Lothian Council £842 for finance staff costs, which are included in accountancy costs within the profit and loss account.

East Lothian Council is the significant member of the LLP.

The balance owed from Scottish Futures Trust, Investments Ltd at the period end was £1.

Scottish Futures Trust Investments Ltd is the minority member of the LLP.

11. ULTIMATE CONTROLLING PARTY

The controlling party is East Lothian Council.

The ultimate controlling party is East Lothian Council.

The registered office of East Lothian Council is John Muir House, Haddington, EH41 3HA.

The results of East Lothian Mid-Market Homes LLP are consolidated into the group accounts of East Lothian Council.

East Lothian Mid-Market Homes LLP

**Detailed Profit and Loss Account
for the Period 18 February 2019 to 31 March 2020**

	£	£
Rental income		196,704
Expenditure		
Rental payments	137,061	
Accountancy	842	
Auditors' remuneration	3,300	
Auditors' remuneration for non audit work	1,500	
	<u> </u>	<u>142,703</u>
NET PROFIT		<u>54,001</u>
Divisible as follows:		
East Lothian Council	54,000	
Scottish Futures Trust Investments	1	
	<u> </u>	<u>54,001</u>

This page does not form part of the statutory financial statements

East Lothian Mid-Market Homes LLP

**Capital Account Schedule
31 March 2020**

	East Lothian Council £	Scottish Futures Trust Investments Ltd £	Totals £
Capital introduced	1	1	2
At 31 March 2020	<u>1</u>	<u>1</u>	<u>2</u>

East Lothian Mid-Market Homes LLP

**Current Accounts Schedule
31 March 2020**

	East Lothian Council £	Scottish Futures Trust Investments Ltd £	Totals £
Share of profit	54,000	1	54,001
At 31 March 2020	<u>54,000</u>	<u>1</u>	<u>54,001</u>