

**Cordia (Care) LLP**

Members' report and financial statements

Registered number S0302145

For the year ended 31 March 2016

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## **Members' report**

The members present their report and audited financial statements for the year ended 31 March 2016.

### **Principal Activity**

The principal activity of Cordia (Care) LLP is the provision of care services.

### **Designated Members**

Cordia (Care) LLP had two members during the period, Glasgow City Council and GCC LLP Investments Ltd, both of whom were designated members.

### **Members' Capital**

Current policy is not to make repayment of members' capital. No additional members' contributions to capital were made and no cash drawings were made against members' capital in the year ended 31 March 2016.

### **Business Review**

#### *Business Structure*

Cordia (Care) LLP purchases care services from its sister organisation Cordia (Services) LLP. These services are sold on to one of the members of the LLP, Glasgow City Council. The overall business structure remained consistent in 2015/16.

#### *Financial Results for the Period*

Cordia (Care) LLP purchases care services from its sister organisation Cordia (Services) LLP at full cost which are sold at full cost to one of the members, Glasgow City Council.

In the year ended 31 March 2015, Cordia (Care) LLP generated a loss of £14,000 meaning there is no profits available for discretionary division among members.

No division was made among members for the period. Net current assets and net assets were £50,000. Cordia (Care) LLP's financial statements have been prepared on a going concern basis.

#### *Administrative Expenses*

Due to there being no operational resource requirements in Cordia (Care) LLP, administrative expenses and support are negligible and have been managed at a minimum level.

#### *Risk Management*

Cordia (Care) LLP recognises the importance of the management of corporate risk. The business relationship with Cordia (Services) LLP means that the business risks facing the LLP are tied in to those facing Cordia (Services) LLP, and are therefore monitored and managed through Cordia (Services) LLP.

A risk register is maintained and is regularly reviewed by an audit committee which is chaired by an elected member of the Cordia (Services) LLP Board. The audit committee meets three times annually and reports findings to the Cordia (Services) LLP Board. An internal audit function also carries out regular audits of business functions and these are reported both to the audit committee and the Board.

The business is subject to further enhanced governance procedures and it reports to Glasgow City Council's professional standards and scrutiny committee twice yearly.

## **Members' report** *(continued)*

### *Transactions with Members*

No remuneration of Members occurred during the period. The members' share in the profit or loss for the period is accounted for as an allocation of profits, with unallocated profits and losses included within 'other reserves'. Cordia (Care) LLP transacts with one of its members, Glasgow City Council, through its provision of care services.

### **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 aware, there is no relevant audit information of which the Partnership'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 Partnership'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.

The financial statements were authorised for issue on 6 June 2016.

Approved by the members and signed on 25 August by

Andrew Clark  
**For and on behalf of**  
**GCC LLP Investments Limited**  
*Designated member*

## **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 LLP 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 LLP financial statements for each financial year. Under that law the members have elected to prepare the LLP 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 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 judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

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 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.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditor's report to the members of Cordia (Care) LLP**

We have audited the financial statements of Cordia (Care) LLP for the year ended 31 March 2016 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the members of the limited liability partnership (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 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 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 members and auditor**

As explained more fully in the Members' Responsibilities Statement set out on page 3, 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, and express an opinion on, the financial statements in accordance with applicable law 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, 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.

### **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 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.

**Philip Charles (Senior Statutory Auditor)**

**for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

191 West George Street

Glasgow

G2 2LJ

**Profit and Loss Account**  
*for the year ended 31 March 2016*

	<i>Note</i>	<b>Year ended 31 March 2016 £000</b>	Year ended 31 March 2015 £000
<b>Turnover</b>	<i>1</i>	<b>59,961</b>	58,483
Cost of sales		<b>(59,977)</b>	(58,486)
<b>Gross loss</b>		<b>(16)</b>	(3)
Administrative expenses		<b>(4)</b>	(4)
<b>Operating (loss)/profit</b>	<i>2</i>	<b>(20)</b>	(7)
Other interest receivable and similar income	<i>3</i>	<b>6</b>	12
Interest payable and similar charges			
<b>Profit/(loss) on ordinary activities before and after taxation being profit for the financial year before members' remuneration and profit shares</b>		<b>(14)</b>	5
Members' remuneration charged as an expense	<i>1</i>	<b>0</b>	0
<b>Profit/(loss) for the financial year available for discretionary division among members</b>		<b>(14)</b>	5

All of the LLP's operations are classed as continuing.

There are no other gains and losses for the year other than those reported in the profit and loss account.

**Balance Sheet**  
*at 31 March 2016*

	<i>Note</i>	<b>2016</b> <b>£000</b>	2015 £000
<b>Current assets</b>			
Debtors	5	<b>293</b>	498
Cash at bank and in hand		<b>1,111</b>	1,038
		<hr/>	<hr/>
<b>Creditors:</b> amounts falling due within one year	6	<b>1,404</b> <b>(1,354)</b>	1,536 (1,472)
		<hr/>	<hr/>
<b>Net current assets</b>		<b>50</b>	64
		<hr/>	<hr/>
<b>Net assets attributable to members</b>		<b>50</b>	64
		<hr/> <hr/>	<hr/> <hr/>
<b>Members' other interests</b>			
Members' capital		<b>1</b>	1
		<hr/>	<hr/>
<b>Other reserves</b>		<b>49</b>	63
		<hr/>	<hr/>
<b>Member's funds</b>		<b>50</b>	64
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the members on 25 August and were signed on their behalf by:

David Melvin  
**For and on behalf of**  
**GCC LLP Investments Limited**  
*Designated member*

Company registered number: S0302145



**Statement of Changes in Equity**  
*for the year ended 31 March 2016*

	<b>Members' capital</b>	<b>Other reserves</b>	<b>Total other reserves</b>	<b>Total members' interest</b>
	£000	£000	£000	£000
Balance at 1 April 2015	1	63	63	64
<b>Total comprehensive income for the period</b>				
Profit or loss	-	(14)	(14)	(14)
<b>Balance as at 31 March 2016</b>	<b>1</b>	<b>49</b>	<b>49</b>	<b>50</b>

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Limited Liability Partnership's financial statements.

#### ***Basis of preparation***

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*") as issued in August 2014 and in accordance with the Statement of Recommended Practice (SORP) on *Accounting by Limited Liability Partnerships* (LLPs).

In the transition to FRS 102 from old UK GAAP, the LLP has made no measurement and recognition adjustments.

The LLP's financial statements are fully consolidated in the group financial statements prepared and published by Glasgow City Council. This entitles the LLP to use the exemption from the preparation of a cash flow statement and related notes, and key management personnel compensation as stated in FRS 102.

As the LLP is a wholly owned subsidiary of Glasgow City Council, the LLP has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with entities which form part of the group as related parties.

#### ***Going concern***

The LLP's business activities, together with the factors likely to affect its future development, performance and position, are set out in the members' report on page 1. The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### ***Members' remuneration and allocation of profits***

Members are not remunerated by the LLP. A member's share in the profit or loss for the accounting period is accounted for as an allocation of profits. Unallocated profits and losses are included within 'other reserves'.

#### ***Members' capital***

The capital requirements of the LLP are determined from time to time by the members. No interest is paid on capital.

#### ***Value added tax***

The LLP is registered for VAT purposes. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

#### ***Taxation***

Taxation on all partnership profits is solely the personal liability of individual members. Consequently neither taxation nor related deferred taxation arising in the LLP are accounted for in these financial statements.

**Notes** (continued)

**1 Accounting policies (continued)**

**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.

*Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

**Turnover and income recognition**

Income is recognised in the accounting period to which it relates. Income from contracts and other services rendered is included to the extent of the completion of the contract or service concerned. Income received in advance is included in the balance sheet within creditors: amounts falling due within one year.

Turnover represents the invoiced value of goods and services supplied under the principal activities of the LLP.

**2 Operating profit**

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
<i>Operating profit is stated after charging:</i>		
Auditor's remuneration:		
Audit of these financial statements	1	1
Taxation compliance services	3	3
	6	4

**3 Other interest receivable and similar income**

	<b>2016</b>	<b>2015</b>
	<b>£000</b>	<b>£000</b>
Other interest receivable	6	12
	6	12

**4 Particulars of members**

The number of members of the Limited Liability Partnership for the year was two. No remuneration was paid to either member.

**Notes** *(continued)*

**5 Debtors**

	<b>2016</b>	2015
	<b>£000</b>	£000
Trade debtors	<b>129</b>	85
Amounts owed by group undertakings	<b>164</b>	1
Prepayments and accrued income	<b>0</b>	412
	<b>293</b>	498
	<b>293</b>	498

**6 Creditors: amounts falling due within one year**

	<b>2016</b>	2015
	<b>£000</b>	£000
Amounts owed to group undertakings	<b>406</b>	-
Value added tax	<b>947</b>	649
Other creditors	<b>-</b>	236
Accruals and deferred income	<b>1</b>	587
	<b>1354</b>	1472
	<b>1354</b>	1472

**7 Subsequent events**

There were no subsequent events requiring adjustment or disclosure within the financial statements.

**8 Ultimate parent organisation**

The LLP's ultimate parent undertaking is Glasgow City Council, one of its designated members, as this is the largest group into which the results of the LLP are consolidated. The consolidated group financial statements of Glasgow City Council may be obtained from its registered office at the City Chambers, Glasgow, G2 1DU.