

Registered number: SO304142

NORTH LANARKSHIRE PROPERTIES LLP

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

NORTH LANARKSHIRE PROPERTIES LLP

INFORMATION

Designated Members

North Lanarkshire Council

NL Property Investments Limited

LLP registered number

SO304142

Registered office

The Civic Centre, Windmillhill Street, Motherwell, ML1 1AB

Independent auditors

French Duncan LLP, 133 Finnieston Street, Glasgow, G3 8HB

Bankers

Barclays PLC, 120 Bothwell Street, Glasgow, G2 7JT

NORTH LANARKSHIRE PROPERTIES LLP

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NORTH LANARKSHIRE PROPERTIES LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The members present their annual report together with the audited financial statements of North Lanarkshire Properties LLP (the LLP) for the year ended 31 March 2019.

Principal activities and Review of the Business

The principal activity of the LLP is the rental of property.

Turnover increased by 1.1% to £6.67 million (2018 - £6.60 million).

Net assets increased by 9.5% to £34.2 million (2018 - £31.3 million) mainly attributable to a profit before tax in the year of £3.1m of which £1.9m related to a fair value gain on investment properties.

Designated Members

North Lanarkshire Council and NL Property Investments Limited 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 year ended 31 March 2019 are set out in the financial statements.

Members' responsibilities statement

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 section 1A Small Entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), 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 company law, (as applied by 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 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 to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by 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

NORTH LANARKSHIRE PROPERTIES LLP

MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

prevention and detection of fraud and other irregularities.

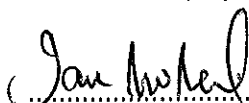
Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

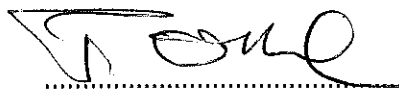
Auditors

The auditors, French Duncan LLP, have indicated their willingness to continue in office. The designated members will propose a motion appointing the auditors at a meeting of the members.



Mr Ian McNeil
North Lanarkshire Council

Date: 5/9/2019



Mr Pat O'Rourke
NL Property Investments Limited

Date: 5/9/2019

NORTH LANARKSHIRE PROPERTIES LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH LANARKSHIRE PROPERTIES LLP

Opinion

We have audited the financial statements of North Lanarkshire Properties LLP (the 'LLP') for the year ended 31 March 2019, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 profit for the year 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 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 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 United Kingdom, including the Financial Reporting Council'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.

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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and 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

NORTH LANARKSHIRE PROPERTIES LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH LANARKSHIRE PROPERTIES LLP (CONTINUED)

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 limited liability partnerships regime.

Responsibilities of members

As explained more fully in the Members' responsibilities statement on page 1, 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.

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 an Auditors' 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 Auditors' report.

NORTH LANARKSHIRE PROPERTIES LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NORTH LANARKSHIRE PROPERTIES LLP
(CONTINUED)

Use of our report

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Thomas Bates (Senior statutory auditor)

for and on behalf of
French Duncan LLP

Chartered Accountants and Statutory Auditors

133 Finnieston Street

Glasgow

G3 8HB

Date:

NORTH LANARKSHIRE PROPERTIES LLP

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019 £	2018 £
Turnover	4	6,673,490	6,601,609
Administrative expenses		(3,965,758)	(3,233,981)
Other operating income	5	366,143	73,387
Fair value movements	11	1,910,676	(277,270)
Operating profit		4,984,551	3,163,745
Interest receivable and similar income	8	33,061	27,824
Interest payable and expenses	9	(1,927,787)	(1,955,447)
Other finance cost	10	(1,000)	(27,000)
Profit before tax		3,088,825	1,209,122
Profit for the year before members' remuneration and profit shares available for discretionary division among members		3,088,825	1,209,122
Total other comprehensive income for the year			
Actuarial (loss)/gain related to pension scheme	19	(123,000)	1,030,000
Other comprehensive income for the year		(123,000)	1,030,000
Total comprehensive income for the year		2,965,825	2,239,122

The notes on pages 10 to 22 form part of these financial statements.

NORTH LANARKSHIRE PROPERTIES LLP
REGISTERED NUMBER: SO304142

BALANCE SHEET
AS AT 31 MARCH 2019

	Note	2019 £	2018 £
Fixed assets			
Investment property	11	68,523,616	66,612,940
Current assets			
Debtors: amounts falling due within one year	12	967,469	696,875
Current asset investments	13	4,296,426	4,591,063
Cash at bank and in hand		2,487,611	2,382,295
		<u>7,751,506</u>	<u>7,670,233</u>
Creditors: Amounts falling due within one year	14	(3,555,654)	(3,535,530)
Net current assets		<u>4,195,852</u>	<u>4,134,703</u>
Total assets less current liabilities		<u>72,719,468</u>	<u>70,747,643</u>
Creditors: amounts falling due after more than one year	15	(38,219,000)	(39,474,000)
		<u>34,500,468</u>	<u>31,273,643</u>
Pension liability	19	(283,000)	(22,000)
Net assets		<u><u>34,217,468</u></u>	<u><u>31,251,643</u></u>

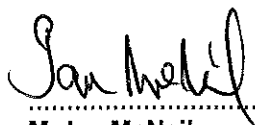
NORTH LANARKSHIRE PROPERTIES LLP
REGISTERED NUMBER: SO304142

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

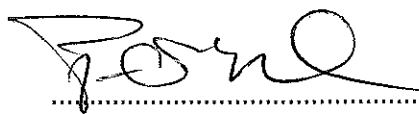
	Note	2019 £	2018 £
Represented by:			
Loans and other debts due to members within one year			
Other amounts	18	1,000	1,000
Members' other interests			
Revaluation reserve classified as equity	22	23,498,616	21,587,940
Other reserves classified as equity	22	10,717,852	9,662,703
		34,216,468	31,250,643
		34,217,468	31,251,643
Total members' interests			
Loans and other debts due to members	18	1,000	1,000
Members' other interests	22	34,216,468	31,250,643
		34,217,468	31,251,643
		34,217,468	31,251,643

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 by:



.....
Mr Ian McNeil
North Lanarkshire Council
Designated member



.....
Mr Pat O'Rourke
NL Property Investments Limited
Designated member

Date: 5/9/2019

The notes on pages 10 to 22 form part of these financial statements.

NORTH LANARKSHIRE PROPERTIES LLP

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019

	Revaluation reserve £	Other reserves £	Total equity £
At 1 April 2018	21,587,940	9,662,703	31,250,643
Comprehensive income for the year			
Profit for year for discretionary division among members	-	3,088,825	3,088,825
Actuarial loss	-	(123,000)	(123,000)
Other comprehensive income for the year	-	(123,000)	(123,000)
Total comprehensive income for the year	-	2,965,825	2,965,825
Revaluation transfer between reserves	1,910,676	(1,910,676)	-
Total transactions with members	1,910,676	(1,910,676)	-
At 31 March 2019	23,498,616	10,717,852	34,216,468

The notes on pages 10 to 22 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Revaluation reserve £	Other reserves £	Total equity £
At 1 April 2017	21,865,210	7,146,311	29,011,521
Comprehensive income for the year			
Profit for year for discretionary division among members	-	1,209,122	1,209,122
Actuarial gain	-	1,030,000	1,030,000
Other comprehensive income for the year	-	1,030,000	1,030,000
Total comprehensive income for the year	-	2,239,122	2,239,122
Revaluation transfer between reserves	(277,270)	277,270	-
Total transactions with members	(277,270)	277,270	-
At 31 March 2018	21,587,940	9,662,703	31,250,643

The notes on pages 10 to 22 form part of these financial statements.

NORTH LANARKSHIRE PROPERTIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. General information

The LLP is a limited liability partnership and is incorporated in Scotland. The address of its registered office is Civic Centre, Windmillhill Street, Motherwell, Lanarkshire, ML1 1AB. The address of its place of business is 5th Floor, Fleming House, 2 Tryst Road, Cumbernauld, G67 1JW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investment properties which are carried at fair value, and in accordance with Financial Reporting Standard 102 section 1A Small Entities, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of the financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also required management to exercise judgment in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The partnership meets its overall funding requirements through retained earnings and bank funding. After making enquiries the members have a reasonable expectation that the partnership has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

2.3 Revenue

Turnover comprises revenue recognised by the LLP in respect of rental income and service charges recovered during the year.

2.4 Operating leases: the LLP as lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

2.5 Investment property

Investment property is carried at fair value determined annually by valuers from North Lanarkshire Council and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment.

NORTH LANARKSHIRE PROPERTIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.7 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.

2.8 Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.9 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.

2.10 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

NORTH LANARKSHIRE PROPERTIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.12 Operating leases: the LLP as lessor

Rentals income from operating leases is credited to the Statement of Comprehensive Income on a straight line basis over the term of the relevant lease.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.13 Pensions

Defined benefit pension plan

The LLP operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the Balance Sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the LLP's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.14 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

NORTH LANARKSHIRE PROPERTIES LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

2. Accounting policies (continued)

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the LLP a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the LLP becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

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

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. However, the nature of estimation means that actual outcomes could differ from these estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements:

Provisions

Provisions are recognised where the LLP has an obligation, as a result of a past event, that can be measured reliably and where the outcome is less than probable, but more than remote, no provision is recorded but a contingent liability is disclosed in the financial statements if material. The recording of provisions is an area which requires the exercise of management judgement relating to the nature, timing and probability of the liability and typically the LLP's balance sheet includes provisions for doubtful debts.

Investment property valuation

The LLP's investment properties are revalued annually by the Members. The valuation is subject to, among other factors, the nature of the property, its location and the expected future rental. As a result, the valuation of the investment properties incorporated into the financial statements is subject to a degree of uncertainty and is made on the basis of assumptions which may prove to be inaccurate, particularly in periods of volatility or low transaction flow in the market. If any of the assumptions used prove to be incorrect this could result in the valuation of the LLP's investment properties differing from the valuation incorporated into the financial statements and the difference could have a material effect on the financial statements.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Accounting policies in relation to these judgements and key sources of estimation uncertainty have been discussed above.

NORTH LANARKSHIRE PROPERTIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

4. Turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Rental Income	<u>6,673,490</u>	<u>6,601,609</u>

All turnover is wholly attributable to the principal activity of rental income and service charges of the LLP and arises solely within the United Kingdom.

5. Other operating income

	2019 £	2018 £
Grants in respect of development costs treated as revenue expenditure	366,143	73,387
	<u>366,143</u>	<u>73,387</u>

6. Employees

The average monthly number of employees during the year was 13 (2018 - 15).

7. Information in relation to members

	2019 Number	2018 Number
The average number of members during the year was	<u>2</u>	<u>2</u>

8. Interest receivable

	2019 £	2018 £
Bank interest receivable	<u>33,061</u>	<u>27,824</u>

NORTH LANARKSHIRE PROPERTIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

9. Interest payable and similar expenses

	2019 £	2018 £
Bank interest payable	<u>1,927,787</u>	<u>1,955,447</u>

10. Other finance costs

	2019 £	2018 £
Net interest on net defined benefit liability	(88,000)	(107,000)
Interest on pension scheme asset	87,000	80,000
	<u>(1,000)</u>	<u>(27,000)</u>

11. Investment property

	Freehold investment property £
Valuation	
At 1 April 2018	66,612,940
Surplus on revaluation	1,910,676
At 31 March 2019	<u><u>68,523,616</u></u>

The 2019 valuations were made by Eric Hislop, a Chartered Valuation Surveyor and member of the Royal Institute of Chartered Surveyors (RICS), who is employed by North Lanarkshire Council, a designated member, at fair value. The Valuations were undertaken in accordance with the RICS Valuation Practice Statement 4 of the RICS Valuation - Global Standards 2017.

NORTH LANARKSHIRE PROPERTIES LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Debtors

	2019 £	2018 £
Trade debtors	763,743	631,843
Other debtors	203,726	65,032
	<u>967,469</u>	<u>696,875</u>

13. Short term deposit

	2019 £	2018 £
Short term deposit	4,296,426	4,591,063

During the current and prior year the LLP held funds in twelve month Fixed Term Deposit accounts.

14. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank loans	1,255,000	1,227,000
Trade creditors	17,452	73,286
Other taxation and social security	208,528	215,211
Other creditors	2,074,674	2,020,033
	<u>3,555,654</u>	<u>3,535,530</u>

Secured creditors amounted to £1,255,000 (2018 - £1,227,000). Details of security are included in note 16.

15. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Bank loans	38,219,000	39,474,000
	<u>38,219,000</u>	<u>39,474,000</u>

Secured creditors amounted to £38,219,000 (2018 - £39,474,000). Details of security are included in note 16.

NORTH LANARKSHIRE PROPERTIES LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

19. Pension commitments

The entity operates a Defined benefit pension scheme.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the credit method. The most recent valuation was at 31 March 2019 which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate for discounting fund assets and the rate of increase in salaries and pensions. It was assumed that the asset discounting rate would be 2.5 per cent per year, that salary increases would average 3.6 per cent per year and that present and future pensions would increase at the rate of 2.4 per cent per year. The contribution made for the year ended 31 March 2019 was £81,000. The agreed contribution rate for future years is 19.3%

Reconciliation of present value of plan liabilities:

	2019 £	2018 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	22,000	948,000
Current service cost	160,000	159,000
Interest cost	1,000	27,000
Actuarial losses/(gains)	123,000	(1,030,000)
Contributions	(81,000)	(82,000)
Past service cost	58,000	-
At the end of the year	283,000	22,000
	2019 £	2018 £
Present value of plan liabilities	(283,000)	(22,000)
Net pension scheme liability	(283,000)	(22,000)

The amounts recognised in profit or loss are as follows:

	2019 £	2018 £
Current service cost	(160,000)	(159,000)
Interest on obligation	88,000	107,000
Interest income on plan assets	(87,000)	(80,000)
Past service cost	58,000	-
Total	219,000	186,000

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19. Pension commitments (continued)

Reconciliation of fair value of plan liabilities were as follow:

	2019 £	2018 £
Opening defined benefit obligation	(3,154,000)	(3,872,000)
Current service cost	(160,000)	(159,000)
Interest cost	(88,000)	(107,000)
Contributions by scheme participants	(28,000)	(28,000)
Benefits paid	33,000	7,000
Changes in financial assumptions	(282,000)	318,000
Changes in demographic assumptions	-	(30,000)
Other experience	-	717,000
Past service costs	(58,000)	-
Closing defined benefit obligation	(3,737,000)	(3,154,000)

Reconciliation of fair value of plan assets were as follows:

	2019 £	2018 £
Opening fair value of scheme assets	3,132,000	2,924,000
Interest income on plan assets	87,000	80,000
Contributions by employer	81,000	82,000
Contributions by scheme participants	28,000	28,000
Benefits paid and expenses	(33,000)	(7,000)
Return on assets	159,000	25,000
	3,454,000	3,132,000

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20. Related party transactions

During the year the company obtained goods and services from North Lanarkshire Council totalling £745,796 (2018 - £708,672). During the year the company received rent and management fees from North Lanarkshire Council totalling £467,690 (2018 - £485,900).

At the balance sheet date the company owed North Lanarkshire Council £1,063,847 (2018 - £1,099,685).

At the balance sheet date the company was owed £271,695 (2018 - £110,715) by North Lanarkshire Council.

21. Controlling party

The ultimate parent undertaking and controlling party is North Lanarkshire Council.

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22. Reconciliation of members' interests

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.

	EQUITY			DEBT		Total members' interests
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		
	Revaluation reserve	Other reserves	Total	Other amounts	Total	Total
	£	£	£	£	£	£
Amounts due to members				1,000	1,000	
Balance at 1 April 2017	21,865,210	7,146,311	29,011,521	1,000	1,000	29,012,521
Profit for the year available for discretionary division among members	-	1,209,122	1,209,122	-	-	1,209,122
Members' interests after profit for the year	21,865,210	8,355,433	30,220,643	1,000	1,000	30,221,643
Movement in reserves	(277,270)	1,307,270	1,030,000	-	-	1,030,000
Amounts due to members				1,000	1,000	
Balance at 31 March 2018	21,587,940	9,662,703	31,250,643	1,000	1,000	31,251,643
Profit for the year available for discretionary division among members	-	3,088,825	3,088,825	-	-	3,088,825
Members' interests after profit for the year	21,587,940	12,751,528	34,339,468	1,000	1,000	34,340,468
Movement in reserves	1,910,676	(2,033,676)	(123,000)	-	-	(123,000)
Amounts due to members				1,000	1,000	
Balance at 31 March 2019	23,498,616	10,717,852	34,216,468	1,000	1,000	34,217,468

