

Cordia (Care) LLP

Members' report and financial statements

Registered number S0302145

For the year ended 31 March 2017

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Members' report

The members present their report and audited financial statements for the year ended 31 March 2017.

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 2017.

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 2016/17.

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 2017, Cordia (Care) LLP generated a loss of £4,000 meaning there is no profits available for discretionary division among members.

No division was made among members for the period. Net current assets were £46,000. 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 19th June 2017.

Approved by the members and signed on 22nd August 2017 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).

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 2017 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 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 directors 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2017 and of its loss 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.

Opinion on other matters prescribed by the Companies Act 2006 as applied to limited liability partnerships

In our opinion the information given in the Members' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Members' report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006 as applied to limited liability partnerships.

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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Philip Charles (Senior Statutory Auditor)
for and on behalf of KPMG LLP
319 St Vincent Street
Glasgow, G2 5AS

Profit and Loss Account
for the year ended 31 March 2017

	<i>Note</i>	Year ended 31 March 2017 £000	Year ended 31 March 2016 £000
Turnover	<i>1</i>	62,319	59,961
Cost of sales		(62,323)	(59,977)
		<hr/>	<hr/>
Gross loss		(4)	(16)
Administrative expenses		(6)	(4)
		<hr/>	<hr/>
Operating loss	<i>2</i>	(10)	(20)
Other interest receivable and similar income	<i>3</i>	6	6
Interest payable and similar charges		-	-
		<hr/>	<hr/>
Loss on ordinary activities before and after taxation being loss for the financial year before members' remuneration and profit shares		(4)	(14)
Members' remuneration charged as an expense	<i>1</i>	0	0
		<hr/>	<hr/>
Loss for the financial year available for discretionary division among members		(4)	(14)
		<hr/> <hr/>	<hr/> <hr/>

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 2017

	<i>Note</i>	2017	2016
		£000	£000
Current assets			
Debtors	5	513	293
Cash at bank and in hand		918	1,111
		<hr/>	<hr/>
Creditors: amounts falling due within one year	6	1,431	1,404
		(1,385)	(1,354)
		<hr/>	<hr/>
Net current assets		46	50
		<hr/>	<hr/>
Net assets attributable to members		46	50
		<hr/> <hr/>	<hr/> <hr/>
Members' other interests			
Members' capital		1	1
Other reserves		45	49
		<hr/>	<hr/>
Member's funds		46	50
		<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the members on [] and were signed on their behalf by:

Andy Clark
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 2017

	Members' capital	Other reserves	Total other reserves	Total members' interest
	£000	£000	£000	£000
Balance at 1 April 2016	1	49	49	50
Total comprehensive expenditure for the period				
Loss	-	(4)	(4)	(4)
Balance as at 31 March 2017	1	45	45	46

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).

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 paragraph 1.11 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 loss

	2017	2016
	£000	£000
<i>Operating loss is stated after charging:</i>		
Auditor's remuneration:		
Audit of these financial statements	1	1
Taxation compliance services	3	3
	6	6

3 Other interest receivable and similar income

	2017	2016
	£000	£000
Other interest receivable	6	6
	6	6

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

	2017	2016
	£000	£000
Trade debtors	101	129
Amounts owed by group undertakings	402	164
Prepayments and accrued income	10	0
	513	293
	513	293

6 Creditors: amounts falling due within one year

	2017	2016
	£000	£000
Amounts owed to group undertakings	628	406
Value added tax	739	947
Accruals and deferred income	18	1
	1,385	1,354
	1,385	1,354

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.