

**BLM (Northern Ireland) LLP**

**Annual Report and Financial Statements  
for the year ended 31 March 2016**

**Partnership No. NC001217**

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**BLM (Northern Ireland) LLP**

**Financial Statements  
for the year ended 31 March 2016**

<b>Contents</b>	<b>Page</b>
Members' report	1
Strategic report	2
Independent auditor's report	3
Statement of comprehensive income	4
Balance sheet	5
Accounting policies	6 - 7
Notes to the financial statements	8 - 11

**MEMBERS' REPORT  
for the year ended 31 March 2016**

The members are pleased to present their annual report and financial statements for the year ended 31 March 2016.

**Firm Structure**

BLM (Northern Ireland) LLP ("the Firm" or "BLM NI") is a Limited Liability Partnership registered in Northern Ireland, and was incorporated on 8 September 2014. The Firm commenced trading on 1 December 2014 following the transfer of substantially all of the trade and assets from Campbell Fitzpatrick Solicitors to BLM NI. BLM NI is controlled by Berryman's Lace Mawer LLP. A list of members' names is available for inspection at Berryman's Lace Mawer LLP's registered office at King's House, 42 King Street West, Manchester, M3 2NU. More information on BLM is available on our website [www.blmlaw.com](http://www.blmlaw.com).

**Results and allocation to members**

The trading results for the year and the LLP's financial position at the end of the year are shown in the attached financial statements.

**Designated members**

The designated members acting on behalf of the body of members of Berryman's Lace Mawer LLP during the year were as follows:

P G Campbell  
C P Fitzpatrick

**Members' drawings and capital policy**

Members receive monthly drawings and periodically additional profit distributions from Berryman's Lace Mawer LLP. The policy for the level and timing of drawings and additional profit distributions is determined by the Managing Partner in consultation with the Senior Partner and Finance Director, having regard to the financial requirements of the LLP.

**Members' Responsibilities Statement**

The members are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law as applied 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 Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that year. 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;
- 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.

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 Limited Liability Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to Limited Liability Partnerships, and in accordance with the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnership (issued July 2014). They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The responsibilities are exercised by the Operations Board on behalf of the members.

Approved by the Executive Board and signed on its behalf by:



P G Campbell  
Date: 7 September 2016

**STRATEGIC REPORT  
for the year ended 31 March 2016**

**Principal activity**

The principal activity of BLM NI is the provision of legal services.

**Business review**

The Firm was incorporated on 8 September 2014 and commenced trading on 1 December 2014 following the transfer of substantially all of the trade and assets from Campbell Fitzpatrick Solicitors to BLM NI.

The Firm has returned a satisfactory performance during the year, generating turnover of £3.8m (2015: £1.2m for the 4 month period to 31 March 2015) while achieving a gross profit margin of 48% (2015: 52%). There was no profit for the period following a management recharge from Berrymans Lace Mawer LLP in respect of various management, employee and business costs incurred on behalf of BLM NI. Net assets were £nil at 31 March 2016 (2015: £nil).

The members consider the results to be satisfactory.

**Principal risks and uncertainties**

The Firm's principal risks are those of customer retention and liquidity.

**Customer Retention**

In order to retain and attract new customers the Firm operates a Key Account Management Programme that spans all of its locations and services and includes designated Key Account Partners to manage and develop our customer relationships. Key Account Partners are represented on The Executive Board to ensure that the Firm's strategic decisions remain customer-focused. The Firm continues to invest in technology, infrastructure and people to ensure that it provides first class services to its customers.

**Liquidity**

The Firm is funded by debt financing by banks. At 31 March 2016 net cash stood at £1.3m (2015: net debt of £0.4m). Cash flow is actively managed by a combination of credit control, payment management, profit retention and short term external borrowing. Liquidity is reviewed on a daily, weekly and monthly basis and long term forecasts are prepared to ensure that the Firm has adequate liquidity at all times.

**Developments and future outlook**

We expect to see further organic growth in 2016/17, leveraging the Firm's financial strength coupled with the synergies gained from its integration into the Berrymans Lace Mawer LLP Group will allow it to further invest in its service offering to customers and attract and retain first class individuals and teams to work in the business.

Following the balance sheet date, the UK voted in the referendum to leave the European Union. It is not possible at this time to quantify or assess the long term impact of this decision on the Firm. The Members will continue to monitor the impact of the decision, taking all actions deemed appropriate in the best interests of the Firm.

This report was approved by the Executive Board and signed on its behalf by:



P G Campbell

Date: 7 September 2016

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLM (NORTHERN IRELAND) LLP**

We have audited the financial statements of BLM (Northern Ireland) LLP for the year ended 31 March 2016 on pages 4 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 LLP's members, as a body, in accordance with the Chapter 3 of Part 16 of the Companies Act 2006, as applied to Limited Liability Partnerships. Our audit work has been undertaken so that we might state to the LLP's members those matters that 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 as a body for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the members and auditor**

As explained more fully in the Members' Responsibility Statement set out 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. 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the strategic report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

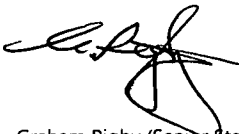
In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2016 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 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 by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP's 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.



Graham Rigby (Senior Statutory Auditor)  
for and on behalf of  
**CLB Coopers**  
Statutory Auditor and Chartered Accountants

Ship Canal House  
98 King Street  
Manchester  
M2 4WU

Date: 7 September 2016

**STATEMENT OF COMPREHENSIVE INCOME (INCLUDING A PROFIT AND LOSS ACCOUNT)  
for the year ended 31 March 2016**

	<b>Note</b>	<b>Year ended 31/03/2016 £</b>	<b>4 month period ended 31/03/2015 £</b>
<b>Turnover</b>	<b>2</b>	3,847,726	1,193,728
Staff costs	<b>4</b>	(1,511,319)	(430,346)
Depreciation		(70,382)	(22,251)
Other operating expenses		(2,235,607)	(734,113)
<b>Operating profit</b>	<b>3</b>	30,418	7,018
Interest receivable		3,619	288
Interest payable and similar charges	<b>5</b>	(34,037)	(7,306)
<b>Profit for the financial year</b>	<b>11</b>	-	-

All the results arise from continuing activities.

There was no other comprehensive income for the year.

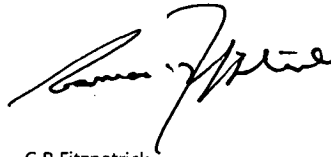
The notes on pages 8-11 form part of these financial statements.

	Note	2016 £	2015 £
<b>Fixed assets</b>			
Tangible fixed assets	7	154,801	199,976
<b>Current assets</b>			
Debtors	8	4,062,104	3,536,293
Cash at bank and in hand		2,224,011	521,231
		6,286,115	4,057,524
Creditors: amounts falling due within one year	9	(6,421,280)	(4,205,476)
<b>Net current liabilities</b>		(135,165)	(147,952)
<b>Total assets less current liabilities</b>		19,636	52,024
Creditors: amounts falling due after more than one year	10	(19,636)	(52,024)
<b>Net assets attributable to members</b>		-	-
<b>Equity</b>			
Profit and loss account	11	-	-
<b>Members' funds</b>		-	-

These financial statements were approved by the Executive Board and authorised for issue on 7 September 2016. They were signed on behalf of the Members by:



P G Campbell  
Date: 7 September 2016



C P Fitzpatrick  
Date: 7 September 2016

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 March 2016****ACCOUNTING POLICIES****Basis of preparation**

These financial statements have been prepared under the historical cost basis of accounting and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council, the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (issued July 2014) and the Companies Act 2006.

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and preceding year. This is the first year in which the financial statements have been prepared under FRS 102. Information on the impact of first-time adoption of FRS 102 is given in note 16.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the entity's accounting policies. The areas involving a higher degree of judgement and complexity, or areas where assumptions and estimates are significant to the financial statements, are set out in note 1.

**Reduced disclosure exemptions for qualifying entities**

The Firm has taken advantage of the following disclosure exemptions, as permitted by FRS 102:

- The requirements of section 7 Statement of Cash flows; and
- The financial instrument disclosures required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29.
- FRS 102 paragraph 33.1A to not disclose related party transactions with entities that are 100% controlled by Berryman's Lace Mawer LLP.

This information is in the consolidated financial statements of Berryman's Lace Mawer LLP which may be obtained from the Firm's registered office at King's House, 42 King Street West, Manchester, M3 2NU.

**Turnover**

Turnover represents revenue earned in respect of the provision of professional services under a variety of contractual arrangements.

Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under its contractual arrangements, the amount of turnover can be measured reliably and it is probable that the consideration due will be received by the Firm.

It is measured at the fair value of the right to consideration, which represents amounts chargeable to customers, including recoverable expenses and disbursements taking in to account discounts, but excluding value added tax.

For incomplete contracts, an assessment is made of the extent to which revenue has been earned. This assessment takes into account the nature of the assignment, its stage of completion and the relevant contractual terms.

Unbilled revenue is included in work in progress.

**Work in progress**

Work in progress represents the fair value of work undertaken on contracts to provide professional services which have not been completed at the balance sheet date.

**Tangible fixed assets**

Depreciation is charged at rates calculated to write down the cost of all tangible fixed assets on a straight line basis over their expected useful economic lives. All fixed assets are depreciated from the month of acquisition. The expected useful lives are estimated to be:

Fixtures & fittings	5 years
Computer equipment	3 years

Gains and losses on disposal are determined by comparing the proceeds received with the carrying value of the asset at the date of disposal. Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition for it to be capable of operating in the manner intended by management.

**Disbursements**

Unbilled disbursements represent expenses incurred on behalf of customers but not yet billed.

**Debtors**

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



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2016****ACCOUNTING POLICIES (continued)****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. Bank overdrafts, when applicable, are shown within current liabilities.

**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.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average exchange rates for the year. Exchange gains and losses are recognised in the profit and loss account.

**Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease. The aggregate benefit of lease incentives are recognised as a reduction to the expense incurred in the profit and loss account over the lease term on a straight line basis.

**Pension costs**

The Berrymans Lace Mawer LLP Group containing BLM NI makes contributions to defined contribution pension schemes on behalf of its employees. These contributions are paid by another Group company. BLM NI makes a contribution to salary and pension costs via a management charge. Amounts are charged to the profit and loss account as incurred.

**Taxation**

The taxation payable on the profits of the LLP is the personal liability of the members and therefore no provision is made in the financial statements for such taxation or deferred taxation.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

The Firm 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 and loans from banks and other third parties. Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

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 profit and loss account.

**Members' drawings and capital policy**

Members receive monthly drawings and periodically additional profit distributions from Berrymans Lace Mawer LLP. The policy for the level and timing of drawings and additional profit distributions is determined by the Managing Partner in consultation with the Senior Partner and Finance Director, having regard to the financial requirements of the LLP. On retirement, members' capital is repaid. Amounts subscribed or otherwise contributed by members, for example members' capital, are classified as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2016**

**1 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Preparation of the financial statements requires management to make significant judgements and estimates. Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The items in the financial statements where these judgements and estimates have been made include:

*Provision for doubtful debts*

The members have reviewed the trading balances owing to the Firm from its customers and made adequate provision for any debts where it is considered probable that the amount will not be recovered. The amounts would have otherwise been recognised in trade debtors.

*Provision for work in progress*

The members have applied their knowledge of the operations of the business when reviewing work in progress at the balance sheet date, and have made appropriate provision for any items where it is considered probable that the amount will not be recovered. The charge to the profit and loss account is recognised in turnover.

**2 TURNOVER**

The turnover of the LLP is principally derived from the provision of legal services.

**3 OPERATING PROFIT**

	Year ended 31/03/2016 £	4 month period ended 31/03/2015 £
Operating profit is stated after charging:		
Depreciation on tangible fixed assets	70,382	22,251
Operating lease rentals		
- Land and buildings	126,224	42,892
- Other	-	933
Auditor's remuneration		
- Audit fees	8,390	9,500
- Other services	2,500	2,500
Foreign exchange (gains)/losses	(1,255)	10,348

**4 STAFF COSTS**

	Year ended 31/03/2016 £	4 month period ended 31/03/2015 £
Employee costs borne by the LLP during the year amounted to:		
Wages and salaries	1,330,725	380,659
Social security costs	124,523	32,259
Pension costs	56,071	17,428
	1,511,319	430,346

Employee costs are paid by another Group company and subsequently recharged to BLM NI.

Average number of people employed by the Group and recharged to the LLP during the year (excluding members):

	Year ended 31/03/2016	4 month period ended 31/03/2015
Solicitors and fee earners	26	21
Administration and support staff	26	24
	52	45

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2016**

**5 INTEREST PAYABLE AND SIMILAR CHARGES**

	Year ended 31/03/2016 £	4 month period ended 31/03/2015 £
Interest on loans and overdrafts	34,037	7,306
	34,037	7,306

**6 MEMBERS' SHARE OF PROFITS**

	Year ended 31/03/2016	4 month period ended 31/03/2015
Average number of members during the year	6	6

No profit was attributable to any members.

**7 TANGIBLE FIXED ASSETS**

Cost	Computer Equipment £	Fixtures & Fittings £	Total £
At 1 April 2015	166,557	55,670	222,227
Additions	-	25,207	25,207
At 31 March 2016	166,557	80,877	247,434
<b>Depreciation</b>			
At 1 April 2015	18,506	3,745	22,251
Charge for the year	55,519	14,863	70,382
At 31 March 2016	74,025	18,608	92,633
<b>Net book value</b>			
At 31 March 2016	92,532	62,269	154,801
At 31 March 2015	148,051	51,925	199,976

**8 DEBTORS**

	2016 £	2015 £
Work in progress	2,227,833	1,658,750
Trade debtors	1,195,525	1,235,887
Amounts due from related parties	466,058	508,093
Other debtors and prepayments	172,688	133,563
	4,062,104	3,536,293

Financial assets that are debt instruments measured at amortised cost comprise work in progress, trade debtors, amounts due from related parties and other debtors. Such financial assets total £3,914,030 (2015: £3,419,938).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2016**

**9 CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank overdraft	850,927	789,454
Bank loans	32,520	96,688
Trade creditors	230,104	247,925
Other taxes and social security	-	169,044
Amounts due to Berrymans Lace Mawer LLP	3,589,408	886,550
Other creditors	70,745	180,179
Partners' accounts due to Berrymans Lace Mawer LLP	1,548,491	1,693,292
Accruals and deferred income	99,085	142,344
	<b>6,421,280</b>	<b>4,205,476</b>

The bank loan is repayable in instalments and will be repaid in full by November 2017. A commercial rate of interest is charged on the bank loan.

Financial liabilities measured at amortised cost comprise bank overdrafts, bank loans and trade creditors. Such financial liabilities total £1,113,551 (2015: £1,134,067).

**10 CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Bank loans	19,636	52,024
	<b>19,636</b>	<b>52,024</b>

<b>Bank loans are repayable as follows:</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Between one and two years	19,636	31,003
Between two and five years	-	21,021
	<b>19,636</b>	<b>52,024</b>
On demand or within one year	32,520	96,688
	<b>52,156</b>	<b>148,712</b>

**11 PROFIT AND LOSS ACCOUNT**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
At 1 April 2015	-	-
Profit for the year	-	-
At 31 March 2016	-	-

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**for the year ended 31 March 2016**

**12 OPERATING LEASE COMMITMENTS**

	2016		2015	
	Land & buildings £	Other £	Land & buildings £	Other £
Total future minimum lease payments:				
Under 1 year	136,713	20,302	136,713	492
Between 2 and 5 years	323,429	50,754	432,708	-
Over 5 years	61,733	-	89,170	-
	521,875	71,056	658,591	492

**13 PENSION COMMITMENTS**

The Berrymans Lace Mawer LLP Group containing BLM NI makes contributions to defined contribution pension schemes. These contributions are paid by another Group company. The assets of the scheme are held separately from those of the Group in an independently administered scheme. The pension charge represents contributions recharged from another Group company and amounted to £56,071 (2015: £17,428).

**14 RELATED PARTY TRANSACTIONS**

The LLP has taken advantage of the exemptions available under FRS 102 not to disclose any transactions with entities that are 100% controlled by Berrymans Lace Mawer LLP.

Campbell Fitzpatrick Solicitors ("CFS") is a partnership which is related by common partners. During the year the LLP made management charges of £103,892 (2015: £18,859) to CFS. At 31 March 2016 there was a balance due from CFS of £466,058 (2015: £508,093).

**15 CONTROLLING PARTY**

The LLP operates under the immediate effective control, direction and supervision of Berrymans Lace Mawer LLP. The partners of the LLP are holding their interest in the LLP on trust on behalf of Berrymans Lace Mawer LLP. In the opinion of the members there is no ultimate controlling party.

**16 TRANSITION TO FRS 102**

This is the first year that the LLP has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 was therefore 1 April 2014. The policies applied under the Firm's previous accounting framework were not materially different to FRS 102 and no transitional adjustments have been required. Accordingly, a reconciliation of equity has not been presented.