

## **Gardiner & Theobald LLP**

Report and Financial Statements

Year Ended

30 April 2020

Registered No: OC307124

Registered in England



# **Gardiner & Theobald LLP**

**Report and financial statements  
For the year ended 30 April 2020**

---

## **Contents**

### **Page:**

1	Report of the members
3	Statement of members' responsibilities
4	Streamlined energy and carbon report
7	Independent auditor's report
10	Consolidated income statement
11	Consolidated statement of comprehensive income
12	Consolidated balance sheet
14	Consolidated reconciliation of members interests at 30 April 2020
15	Consolidated reconciliation of members interests at 30 April 2019
16	Consolidated statement of cash flows
18	LLP balance sheet
20	LLP reconciliation of members interests at 30 April 2020
21	LLP reconciliation of members interests at 30 April 2019
22	Notes forming part of the financial statements

---

## **Designated Members**

A A Glover  
P J Angus  
K Arnold  
S J Bennett  
R F Bryer  
P O'Keefe

## **Secretary and registered office**

10 South Crescent  
London  
WC1E 7BD

## **Registered Number**

OC307124

## **Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

# **Gardiner & Theobald LLP**

## **Report of the members For the year ended 30 April 2020**

---

The members of Gardiner & Theobald LLP present their report and the audited consolidated financial statements for the year ended 30 April 2020.

### **Principal activity and review of the business and future developments**

Gardiner & Theobald LLP group offers a comprehensive worldwide service of construction consultancy based on a range of key services: Project Management, Cost Management (Quantity Surveying), Consultancy, Construction Management, Planning Supervision, Facilities Management, Construction & Property Tax, and Dispute Management.

The members are pleased to note the continued improvement in the firm's results, with another year on year growth in turnover and increasing profitability levels.

The Coronavirus pandemic came late in the financial year and did not significantly impact results for the year. Subsequently, we have taken the necessary steps to both reduce controllable cost and maintain liquidity and by the time this report is published the Group will have reduced costs and increased cash. The Members recognise that there will be continuing economic volatility for some time to come from the pandemic as well as further uncertainty related to Brexit as the year progresses. Therefore, we remain cautious and monitor performance on a regular basis. We will take appropriate measures to adjust the cost base should this become necessary.

### **Going Concern**

The members have prepared a base case financial forecast for the period ending 30 November 2021. The uncertainty as to the future impact of the COVID-19 pandemic has been considered as part of the group's adoption of the going concern basis.

Forecast stress testing scenarios, in light of COVID-19, have demonstrated that the group could withstand both a material and prolonged decrease in revenue and maintain a positive cash position, given the strong ratio of cash to liabilities. Decreases in revenue forecasts are anticipated and the group will act accordingly to safeguard its longevity, as it has in all past economic downturns, including taking swift personnel actions and lowering operating costs.

Whilst the severity of the downturn cannot be accurately forecast with a level of precision, various scenarios have been modelled and the associated responses to these decreases. The group could withstand a 50% drop in its revenue rate for the 12 month period forecast and has at its disposal, further cost saving levers to reduce its cost base, especially relating to its staff costs. The group have banking facilities available throughout the period. On this basis, the members have a reasonable expectation, that the group will have sufficient cash flow and available resources to continue operating for at least 12 months from the date of approval of these financial statements.

### **Designated members**

The designated members during the year were:

A A Glover  
P J Angus  
K Arnold  
S J Bennett  
R F Bryer  
P O'Keefe

# **Gardiner & Theobald LLP**

## **Report of the members For the year ended 30 April 2020 (continued)**

---

### **Members' drawings and the subscription and repayment of members' capital**

The members participate fully in the firm's profit, share the risks and subscribe to the firm's capital.

An individual member's capital contribution is linked to his or her share of profit and the financing requirements of the firm. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at 'par', so retiring members are repaid their capital at 'par'.

Drawings represent payments on account of profits which may be allocated to members. The amount of such drawings are set at a level intended to distribute the profit earned during any year, subject to the need to maintain appropriate working capital. Balances of profits are distributed subject to cash availability. Tax retentions are made and paid to HMRC on behalf of members.

### **Auditor**

All of the current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the partnership's auditor for the purpose of their audit and to establish that the auditor is aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

A resolution to re-appoint BDO LLP as auditor will be proposed at the next annual general meeting.

Approved by the members of the Limited Liability Partnership on



S J Bennett

**Designated member**

24<sup>th</sup> November 2020

# Gardiner & Theobald LLP

## Statement of members' responsibilities For the year ended 30 April 2020

---

### Statement of members' responsibilities

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

The Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008* require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the group and Limited Liability Partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations 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 group and Limited Liability Partnership and of the profit or loss of the group 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;
- 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 Limited Liability Partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, 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 Limited Liability Partnerships (*Accounts and Audit*) (*Application of the Companies Act 2006*) *Regulations 2008*. 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.

# **Gardiner & Theobald LLP**

## **Streamlined Energy and Carbon Report For the period ended 30 April 2020**

---

The members present their Streamlined Energy and Carbon Report (SECR) for the year ended 30 April 2020. A listing of members who served during the year ended 30 April 2020 can be found online at Companies House.

The period covered by this report is for the 12 months ending 30 April 2020. As our first submission under the SECR programme, this version is presented to provide baseline year results for future reporting periods.

### **Background**

Gardiner & Theobald takes its energy and carbon responsibilities very seriously. We have been measuring and substantially reducing our emissions for more than a decade. We have an extensive environmental management system (EMS) in accordance with our ISO 14001 certification (maintained since 2008). In addition, we hold the Achilles Verify accreditation, with a perfect score in the environmental category for the last 4 years.

We monitor our energy and carbon on a monthly basis and conduct internal sustainability audits quarterly. In addition, our operations are subject to annual external audits – at which point energy and carbon consumption and targets/reductions are assessed. We have participated in the Energy Savings Opportunity Scheme (ESOS) and implement the recommendations from the expert reports (most recent audit was November 2019).

More recently, we have begun to explore low and zero carbon opportunities in the operation of our buildings. As a first step, we have switched to a renewable energy gas supplier for heating our headquarters in London. This means that the majority of our Scope 1 emissions are now zero carbon. We will explore this opportunity for electricity consumption during our next contract renewal period at the end of this calendar year.

### **Methodology & Metrics**

We occupy nine offices throughout the UK, all of them leased. We pay energy invoices (“financial control”) for three of these offices, two in London and one in Manchester.

Our two offices in London – 10 South Crescent and Whitfield Street – satisfy the “90% threshold” rule used by Government in ESOS. The carbon emissions (Scope 1 and Scope 2) from these buildings are calculated directly from consumption numbers contained in invoices and presented in this report.

We have also included emissions (Scope 1 and Scope 2) for our Manchester Office. These emissions are also calculated directly from utility invoices that we pay.

We occupy other premises, but these are serviced offices, and so we do not have access to energy consumption data. These form a small percentage of our overall carbon impacts.

Our travel emissions reported here are for vehicle mileage only and cover all employees of the firm. These represent the Scope 3 emissions contained in this report.

In all instances, we have followed the Government’s published guidelines on SECR reporting, including using the conversion factors published by the Department of Business, Energy and Industrial Strategy (BEIS).

## **Gardiner & Theobald LLP**

### **Streamlined Energy and Carbon Report For the period ended 30 April 2020 (continued)**

---

#### **GHG Emissions Breakdown**

Our emissions (in tonnes) for the 12-month period ending 30 April 2020 are as follows:

Scope 1:	43.5
Scope 2:	297.9
Scope 3:	229.2 (employee mileage only)
Total:	570.6

#### **Carbon Intensity**

We have chosen to monitor our progress via the intensity ratio of CO<sub>2</sub> per employee as this seems an appropriate measure for a professional services firm. With 892 employees, our intensity ratio is .64.

#### **Water**

Water is provided through landlord services. Our water fixtures are mostly low-water and automatic, operated via sensor.

#### **Waste**

Gardiner & Theobald operates under a zero-waste-to-landfill policy through our waste provider. In addition, all of our offices have extensive recycling facilities in accordance with our EMS requirements. This substantially reduces our Scope 3 emissions.

#### **Procurement/materials**

We actively seek out and procure low impact products from local suppliers to reduce transport emissions associated with procurement.

#### **Commentary**

Each year, we set a target to reduce Scope 1, 2 and 3 emissions over the previous year. This is something we have managed to accomplish year-on-year.

Historically, we implement carbon reduction recommendations from our external audits and then validate results after a 12-month period. This year we had begun to implement the recommendations from our December 2019 ESOS audit, which are primarily operational recommendations around set points and management practices. Due to COVID-19 and the subsequent lockdown – and changes in building operations – it may be difficult to assess the effectiveness of these until more normal working patterns and operations resume.

We have a Sustainability Policy, Travel Policy, Printing Policy and set of procurement guidelines that further assist us in reducing our emissions.

We know that our biggest carbon impacts come from the operation of our buildings and we are exploring ways to reduce our Scope 1 and 2 emissions. In March of this year, we signed a contract with a renewable energy gas supplier and this should

## **Gardiner & Theobald LLP**

### **Streamlined Energy and Carbon Report For the period ended 30 April 2020 (continued)**

---

substantially reduce our Scope 1 emissions in our next SECR report. We intend to examine procurement options available for renewable electricity when our existing contract expires at the end of this year.

#### **Targets and additional actions**

The target articulated in our Sustainability Policy, embodied in our EMS and validated by ISO 14001 and Achilles Verify, is to reduce our Scope 1, 2 and 3 emissions during the 2020 calendar year.

Due to the COVID-19 pandemic and reduced building operations (and travel) we expect to meet this target more easily than in previous years. As we return to more normal operations, we will continue our usual energy oversight and education activities, as well as explore other ways to reduce our carbon impacts.

We are also looking to better capture data around travel emissions, including flights, trains, hotels, etc. We will work with our travel providers going forward to better capture Scope 3 emissions from our travel activities and provide this information in the next SECR report.

#### **Approval**

This Streamlined Energy and Carbon Report was approved by members of the Limited Liability Partnership.



S J Bennett

**Designated member**

24<sup>th</sup> November 2020



# **Gardiner & Theobald LLP**

## **Independent auditor's report**

---

### **Independent Auditor's Report to Members of Gardiner & Theobald LLP**

#### **Qualified Opinion**

We have audited the financial statements of Gardiner & Theobald LLP ("the Limited Liability Partnership") and its subsidiaries ("the Group") for the year ended 30 April 2020 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated reconciliation of members interests, the consolidated statement of cash flows, the LLP balance sheet, the LLP reconciliation of members interests and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the Group's and of the Limited Liability Partnership's affairs as at 30 April 2020 and of the Group's 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

#### **Basis for qualified opinion**

The notes to the financial statements do not disclose the share of profits attributable to the member with the largest entitlement to the profit of the partnership. Such disclosure is required by FRS 102 and the Limited Liability Partnership Statement of Recommended Practice(2018).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 Group or the Limited Liability Partnership'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.

# **Gardiner & Theobald LLP**

## **Independent auditor's report (*continued*)**

---

### **Other information**

The Members are responsible for the other information. The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters 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 by the Limited Liability Partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the Limited Liability Partnership'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.

### **Responsibilities of Members**

As explained more fully in the Statement of Member's responsibilities, 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 Group and the Limited Liability Partnership'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 Group or the Limited Liability Partnership or to cease operations, or have no realistic alternative but to do so.

### **Auditor's 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 auditor's 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:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report

## **Gardiner & Theobald LLP**

### **Independent auditor's report (*continued*)**

---

#### **Use of our report**

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership'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 Limited Liability Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

*BDO LLP*

Nicholas Carter-Pegg (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London, UK  
24<sup>th</sup> November 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Gardiner & Theobald LLP

## Consolidated income statement For the year ended 30 April 2020

	Note	2020 £'000	2019 £'000
<b>Fee income</b>	3	<b>215,897</b>	191,134
Operating expenses		(133,178)	(118,295)
Other operating income		252	1,100
		<hr/>	<hr/>
<b>Operating profit</b>	5	<b>82,971</b>	73,939
Interest receivable and similar income	6	269	-
Interest payable and similar charges	7	(105)	(132)
Other finance costs	8	(168)	(204)
		<hr/>	<hr/>
<b>Profit for the financial year before members' remuneration and profit shares</b>		<b>82,967</b>	73,603
Taxation charge for year	10	(126)	(40)
		<hr/>	<hr/>
<b>Profit for the financial year before members' remuneration and profit shares</b>		<b>82,841</b>	73,563
Remuneration of members charged as an expense		(18,277)	(17,953)
		<hr/>	<hr/>
<b>Profit for the financial year available for discretionary division among equity and mezzanine members</b>		<b>64,564</b>	55,610
		<hr/>	<hr/>

The notes on pages 22 to 41 form part of these financial statements.

# Gardiner & Theobald LLP

## Consolidated statement of comprehensive income For the year ended 30 April 2020

	2020 £'000	2019 £'000
<b>Profit for the financial year available for discretionary division among members</b>	<b>64,564</b>	<b>55,610</b>
Actuarial loss (note 19)	(2,830)	(1,102)
Currency translation differences	(2)	1
<b>Other comprehensive loss for the year</b>	<b>(2,832)</b>	<b>(1,101)</b>
<b>Total comprehensive income for the year</b>	<b>61,732</b>	<b>54,509</b>
<b>Profit for the financial year attributable to:</b>		
Owners of the parent LLP	64,564	55,610
<b>Total comprehensive income attributable to:</b>		
Owners of the parent LLP	61,732	54,509

The notes on pages 22 to 41 form part of these financial statements.

# Gardiner & Theobald LLP

## Consolidated balance sheet At 30 April 2020

<b>Registered number OC307124</b>	<b>Note</b>	<b>2020 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2019 £'000</b>
<b>Fixed assets</b>					
Tangible assets	11		2,130		2,335
<b>Current assets</b>					
Stock	13	1		1	
Debtors	14	44,778		43,704	
Cash at bank and in hand		67,352		47,861	
		<u>112,131</u>		<u>91,566</u>	
<b>Creditors: amounts falling due within one year</b>	15	<u>(37,949)</u>		<u>(30,197)</u>	
<b>Net current assets</b>			<b>74,182</b>		<b>61,369</b>
<b>Total assets less current liabilities</b>			<u><b>76,312</b></u>		<u><b>63,704</b></u>
<b>Creditors: amounts falling due after more than one year</b>	16		<b>(1,170)</b>		<b>(1,280)</b>
<b>Provisions for liabilities</b>	18		<b>(1,573)</b>		<b>(1,459)</b>
<b>Net assets attributable to members excluding pensions liability</b>			<u><b>73,569</b></u>		<u><b>60,965</b></u>
<b>Pension scheme liability</b>	19		<b>(7,971)</b>		<b>(7,454)</b>
<b>Net assets attributable to members</b>			<u><u><b>65,598</b></u></u>		<u><u><b>53,511</b></u></u>

The notes on pages 22 to 41 form part of these financial statements.

# Gardiner & Theobald LLP

Consolidated balance sheet  
At 30 April 2020 (continued)

<b>Registered number OC307124</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
<b>Represented by:</b>		
<b>Loans and other debts due to members within one year</b>		
Members' capital classified as debt	15,490	15,382
Other amounts due to members	31,042	17,439
	<b>46,532</b>	<b>32,821</b>
<b>Members' other interests</b>		
Members' interests classified as equity	19,066	20,690
<b>Total members' interests</b>	<b>65,598</b>	<b>53,511</b>
<b>Total members' interests</b>		
Loans and other debts due to members	46,532	32,821
Members' other interests	19,066	20,690
	<b>65,598</b>	<b>53,511</b>

The financial statements were approved by the Board of Members and authorised for issue on 24<sup>th</sup> November 2020



S J Bennett  
Designated member

The notes on pages 22 to 41 form part of these financial statements.

## Gardiner & Theobald LLP

### Consolidated reconciliation of members interests For the year ended 30 April 2020

Group	Members' capital classified as debt £'000	Amounts due to members' £'000	Sub total £'000	Pension reserve £'000	Profits to be distributed £'000	Total members' interest £'000
<b>At 1 May 2019</b>	<b>15,382</b>	<b>17,439</b>	<b>32,821</b>	<b>(7,454)</b>	<b>28,144</b>	<b>53,511</b>
<b>Comprehensive income for the year</b>						
Profit for the financial year after members' remuneration available for discretionary division among members	-	-	-	-	64,564	64,564
Members' remuneration charged as an expense	-	18,277	18,277	-	-	18,277
<b>Comprehensive income for the year</b>	<b>-</b>	<b>18,277</b>	<b>18,277</b>	<b>-</b>	<b>64,564</b>	<b>82,841</b>
<b>Other comprehensive income for the year</b>						
Actuarial loss on pension scheme	-	-	-	(2,830)	-	(2,830)
Transfer to pension reserve	-	-	-	2,313	(2,313)	-
Currency translation differences	-	-	-	-	(2)	(2)
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(517)</b>	<b>(2,315)</b>	<b>(2,832)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>18,277</b>	<b>18,277</b>	<b>(517)</b>	<b>62,249</b>	<b>80,009</b>
<b>Contributions to and distributions to members</b>						
Allocated profit	-	63,356	63,356	-	(63,356)	-
Drawings and distributions	-	(68,030)	(68,030)	-	-	(68,030)
Capital contributions paid in year	1,428	-	1,428	-	-	1,428
Capital repaid in the year	(1,320)	-	(1,320)	-	-	(1,320)
<b>Total contributions by and distributions to members</b>	<b>108</b>	<b>(4,674)</b>	<b>(4,566)</b>	<b>-</b>	<b>(63,356)</b>	<b>(67,922)</b>
<b>At 30 April 2020</b>	<b>15,490</b>	<b>31,042</b>	<b>46,532</b>	<b>(7,971)</b>	<b>27,037</b>	<b>65,598</b>



## Gardiner & Theobald LLP

### Consolidated reconciliation of members interests For the year ended 30 April 2020

Group	Members' capital classified as debt £'000	Amounts due to members' £'000	Sub total £'000	Pension reserve £'000	Profits to be distributed £'000	Total members' interest £'000
<b>At 1 May 2018</b>	<b>15,677</b>	<b>5,546</b>	<b>21,223</b>	<b>(8,448)</b>	<b>34,126</b>	<b>46,901</b>
<b>Comprehensive income for the year</b>						
Profit for the financial year after members' remuneration available for discretionary division among members	-	-	-	-	55,610	55,610
Members' remuneration charged as an expense	-	17,953	17,953	-	-	17,953
<b>Comprehensive income for the year</b>	<b>-</b>	<b>17,953</b>	<b>17,953</b>	<b>-</b>	<b>55,610</b>	<b>73,563</b>
Actuarial loss on pension scheme	-	-	-	(1,102)	-	(1,102)
Transfer to pension reserve	-	-	-	2,096	(2,096)	-
Currency translation differences	-	-	-	-	1	1
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>994</b>	<b>(2,095)</b>	<b>(1,101)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>17,953</b>	<b>17,953</b>	<b>994</b>	<b>53,515</b>	<b>72,462</b>
<b>Contributions to and distributions to members</b>						
Allocated profit	-	59,497	59,497	-	(59,497)	-
Drawings and distributions	-	(65,557)	(65,557)	-	-	(65,557)
Capital contributions paid in year	807	-	807	-	-	807
Capital repaid in the year	(1,102)	-	(1,102)	-	-	(1,102)
<b>Total contributions by and distributions to members</b>	<b>(295)</b>	<b>(6,060)</b>	<b>(6,355)</b>	<b>-</b>	<b>(59,497)</b>	<b>(65,852)</b>
<b>At 30 April 2019</b>	<b>15,382</b>	<b>17,439</b>	<b>32,821</b>	<b>(7,454)</b>	<b>28,144</b>	<b>53,511</b>

# Gardiner & Theobald LLP

## Consolidated statement of cash flows For the year ended 30 April 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Cash flows from operating activities</b>					
<b>Profit for the financial year before members' remuneration and profit shares</b>			<b>82,841</b>		<b>73,563</b>
Adjustments for:					
Depreciation	11	844		926	
Loss on disposal of fixed assets	5	-		42	
Net interest payable		4		336	
Taxation expense	10	126		40	
Foreign exchange gain		(307)		(486)	
Pension contributions by employer	19	(2,475)		(2,300)	
Increase in trade and other debtors		(1,157)		(5,770)	
Increase in trade and other creditors		8,599		5,744	
Increase in provisions		112		137	
			<b>5,746</b>		<b>(1,331)</b>
<b>Cash flow from operations</b>			<b>88,587</b>		<b>72,232</b>
Interest paid		(111)		(132)	
Interest received		269		-	
Taxation paid		(50)		(32)	
Members' drawings for remuneration		(18,277)		(17,953)	
			<b>(18,169)</b>		<b>(18,117)</b>
<b>Net cash generated from operating activities</b>			<b>70,418</b>		<b>54,115</b>
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		(579)		(519)	
Proceeds from sale of fixed assets		-		90	
<b>Net cash flow from investing activities</b>			<b>(579)</b>		<b>(429)</b>
<b>Net cash generated from operating activities and investing activities</b>			<b>69,839</b>		<b>53,686</b>

The notes on pages 22 to 41 form part of these financial statements.

## Gardiner & Theobald LLP

### Consolidated statement of cash flows For the year ended 30 April 2020 (continued)

	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Net cash generated from operating activities and investing activities</b>		69,839		53,686
<b>Cash flows from financing activities</b>				
Payments to and on behalf of members	(49,753)		(47,604)	
Repayment of capital to former members	(1,320)		(1,102)	
Contributions by members	1,428		807	
New bank loan	-		733	
Bank loans repaid in the year	(1,033)		(1,128)	
		(50,678)		(48,294)
<b>Net increase in cash and cash equivalents</b>		19,161		5,392
<b>Net increase in cash and cash equivalents</b>		19,161		5,392
Cash and cash equivalents at beginning of year		47,861		41,925
Foreign exchange gains and losses		330		544
<b>Cash and cash equivalents at year end</b>		67,352		47,861
<b>Cash and cash equivalents comprise:</b>				
Cash at bank and in hand		67,352		47,861
<b>Cash and cash equivalents at year end</b>		67,352		47,861

# Gardiner & Theobald LLP

## LLP balance sheet At 30 April 2020

<b>Registered number OC307124</b>	<b>Note</b>	<b>2020 £'000</b>	<b>2020 £'000</b>	<b>2019 £'000</b>	<b>2019 £'000</b>
<b>Fixed assets</b>					
Tangible assets	11		<b>282</b>		<b>540</b>
Investments	12		-		-
			<hr/>		<hr/>
			<b>282</b>		<b>540</b>
<b>Current assets</b>					
Stock	13	<b>1</b>		<b>1</b>	
Debtors	14	<b>37,301</b>		<b>33,844</b>	
Cash at bank and in hand		<b>57,799</b>		<b>37,448</b>	
		<hr/>		<hr/>	
		<b>95,101</b>		<b>71,293</b>	
<b>Creditors: amounts falling due within one year</b>	15	<b>(21,238)</b>		<b>(10,440)</b>	
		<hr/>		<hr/>	
<b>Net current assets</b>			<b>73,863</b>		<b>60,853</b>
<b>Total assets less current liabilities</b>			<hr/> <b>74,145</b>		<hr/> <b>61,393</b>
<b>Creditors: amounts falling due after more than one year</b>	16		-		-
<b>Provisions for liabilities</b>	18		<b>(1,493)</b>		<b>(1,381)</b>
			<hr/>		<hr/>
<b>Net assets attributable to members excluding pensions liability</b>			<b>72,652</b>		<b>60,012</b>
<b>Pension scheme liability</b>	19		<b>(7,971)</b>		<b>(7,454)</b>
			<hr/>		<hr/>
<b>Net assets attributable to members</b>			<b>64,681</b>		<b>52,558</b>
			<hr/>		<hr/>

The notes on pages 22 to 41 form part of these financial statements.

# Gardiner & Theobald LLP

LLP balance sheet  
At 30 April 2020 (continued)

<b>Registered number OC307124</b>	<b>2020 £'000</b>	<b>2019 £'000</b>
<b>Represented by:</b>		
<b>Loans and other debts due to members within one year</b>		
Members' capital classified as a liability	15,490	15,382
Other amounts due to members	31,042	17,439
	<b>46,532</b>	<b>32,821</b>
<b>Members other interests</b>		
Members' interests classified as equity	18,149	19,737
<b>Total members' interest</b>	<b>64,681</b>	<b>52,558</b>
<b>Total members' interest</b>		
Loans and other debts due from members	46,532	32,821
Members' other interests	18,149	19,737
	<b>64,681</b>	<b>52,558</b>

The LLP has taken advantage of the exemption allowed under S408 of the Companies Act 2006 as applied to LLPs and has not presented its own statement of comprehensive income in these financial statements.

The profit for the financial year for the LLP was £ 64,598,000 (2019 - £55,674,000).

The financial statements were approved by the Board of Members and authorised for issue on 24th November 2020



S J Bennett  
Designated member

The notes on pages 22 to 41 form part of these financial statements.

## Gardiner & Theobald LLP

### LLP reconciliation of members interests For the year ended 30 April 2020

LLP	Members' capital classified as debt £'000	Amounts due to members' £'000	Sub total £'000	Pension reserve £'000	Profits to be distributed £'000	Total Members' interest £'000
<b>At 1 May 2019</b>	<b>15,382</b>	<b>17,439</b>	<b>32,821</b>	<b>(7,454)</b>	<b>27,191</b>	<b>52,558</b>
<b>Comprehensive income for the year</b>						
Profit for the financial year after members' remuneration available for discretionary division among members	-	-	-	-	64,598	64,598
Members' remuneration charged as an expense	-	18,277	18,277	-	-	18,277
<b>Comprehensive income for the year</b>	<b>-</b>	<b>18,277</b>	<b>18,277</b>	<b>-</b>	<b>64,598</b>	<b>82,875</b>
Actuarial loss on pension scheme	-	-	-	(2,830)	-	(2,830)
Transfer to pension reserve	-	-	-	2,313	(2,313)	-
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(517)</b>	<b>(2,313)</b>	<b>(2,830)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>18,277</b>	<b>18,277</b>	<b>(517)</b>	<b>62,285</b>	<b>80,045</b>
<b>Contributions to and distributions to members</b>						
Allocated profit	-	63,356	63,356	-	(63,356)	-
Drawings and distributions	-	(68,030)	(68,030)	-	-	(68,030)
Capital contributions paid in year	1,428	-	1,428	-	-	1,428
Capital repaid in the year	(1,320)	-	(1,320)	-	-	(1,320)
<b>Total contributions by and distributions to members</b>	<b>108</b>	<b>(4,674)</b>	<b>(4,566)</b>	<b>-</b>	<b>(63,356)</b>	<b>(67,922)</b>
<b>At 30 April 2020</b>	<b>15,490</b>	<b>31,042</b>	<b>46,532</b>	<b>(7,971)</b>	<b>26,120</b>	<b>64,681</b>

## Gardiner & Theobald LLP

### LLP reconciliation of members interests For the year ended 30 April 2020

LLP	Members' capital classified as debt £'000	Amounts due to members' £'000	Sub total £'000	Pension reserve £'000	Profits to be distributed £'000	Total Members' interest £'000
<b>At 1 May 2018</b>	15,677	5,546	21,223	(8,448)	33,110	45,885
<b>Comprehensive income for the year</b>						
Profit for the financial year after members' remuneration available for discretionary division among members	-	-	-	-	55,674	55,674
Members' remuneration charged as an expense	-	17,953	17,953	-	-	17,953
<b>Comprehensive income for the year</b>	-	17,953	17,953	-	55,674	73,627
Actuarial loss on pension scheme	-	-	-	(1,102)	-	(1,102)
Transfer to pension reserve	-	-	-	2,096	(2,096)	-
<b>Other comprehensive income for the year</b>	-	-	-	994	(2,096)	(1,102)
<b>Total comprehensive income for the year</b>	-	17,953	17,953	994	53,578	72,525
<b>Contributions to and distributions to members</b>						
Allocated profit	-	59,497	59,497	-	(59,497)	-
Drawings and distributions	-	(65,557)	(65,557)	-	-	(65,557)
Capital contributions paid in year	807	-	807	-	-	807
Capital repaid in the year	(1,102)	-	(1,102)	-	-	(1,102)
<b>Total contributions by and distributions to members</b>	(295)	(6,060)	(6,355)	-	(59,497)	(65,852)
<b>At 30 April 2019</b>	15,382	17,439	32,821	(7,454)	27,191	52,558

# Gardiner & Theobald LLP

## Notes forming part of the financial statements For the year ended 30 April 2020

### 1 Accounting policies

#### *Basis of preparation*

Gardiner & Theobald LLP is a Limited Liability Partnership ('LLP') incorporated in England under the Companies Act. The address of the registered office is given on the contents page and the nature of the group's operations and its principal activities are set out in the report of the members. The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, including the Statement of Recommended Practice (2019), 'Accounting by Limited Liability Partnerships'. All amounts are rounded to the nearest £ thousand unless stated otherwise.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 2).

The Group and LLP have applied FRS102 (March 2018) in these financial statements, which includes the amendments as a result of the Triennial Review 2017.

The factors considered by the members in exercising their judgement of the Group's ability to operate in the foreseeable future are set out in the Report of the Members. The members have prepared base case financial forecast for the period ending 30 November 2021. The uncertainty as to the future impact of the COVID-19 pandemic has been considered as part of the Group's adoption of the going concern basis.

Forecast stress testing scenarios, in light of COVID-19, have demonstrated that the group could withstand both a material and prolonged decrease in revenue and maintain a positive cash position, given the strong ratio of cash to liabilities. Decreases in revenue forecasts are anticipated and the group will act accordingly to safeguard its longevity, as it has in all past economic downturns, including taking swift personnel actions and lowering operating costs.

Whilst the severity of the downturn cannot be accurately forecast with a level of precision, various scenarios have been modelled and the associated responses to these decreases. The group could withstand a 50% drop in its revenue rate for the 12 month period forecast and has at its disposal, further cost saving levers to reduce its cost base, especially relating to its staff costs. The group have banking facilities available throughout the period. On this basis, the members have a reasonable expectation, that the group will have sufficient cash flow and available resources to continue operating for at least 12 months from the approval of these financial statements.

The following principal accounting policies have been applied:

#### *Basis of consolidation*

The consolidated financial statements present the results of Gardiner & Theobald LLP and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 May 2014.

The accounting year end for certain subsidiaries is 31 December 2019, and interim financial information is prepared for the year ended 30 April 2020 for inclusion in the consolidated financial statements. The group and its subsidiaries have always included a number of non-coterminous financial year ends due to local statutory requirements.

Where necessary, adjustments are made to the financial statements of subsidiaries so that the group accounts are presented on a uniform basis.



# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (*continued*)

---

## 1 Accounting policies (*continued*)

### *Parent LLP disclosure exemptions*

In preparing the separate financial statements of the parent LLP, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement or net debt reconciliation has been presented for the parent LLP;
- Disclosures in respect of the parent LLP's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent LLP as their remuneration is included in the totals for the group as a whole.

### *Investments*

Investments in subsidiary undertakings are stated at cost less impairment.

### *Fee income*

Fee income represents the value, net of Value Added Tax, of services rendered during the period and is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed. Fee income is not recognised where the right to receive payment is contingent on events outside the control of the group.

Services provided to clients during the year, which have not been invoiced at year end, have been recognised as fee income based on the costs incurred. This accrued income is included in debtors.

### *Tangible fixed assets*

Tangible fixed assets are stated at historic cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its residual value evenly over its estimated expected useful life, using the straight-line basis as follows:

Fixtures, fittings, furniture and other equipment	-	3 years
Short leasehold property	-	over the term of the lease

### *Impairments*

Fixed assets are reviewed for impairment if (i) events or changes in circumstances indicate that the carrying amount may not be recoverable or (ii) as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the lower of net realisable value and value-in-use, are recognised.

# Gardiner & Theobald LLP

## Notes forming part of the financial statements For the year ended 30 April 2020 (*continued*)

### 1 Accounting policies (*continued*)

#### *Foreign currency translation*

##### *(a) Functional and presentation currency*

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'sterling', which is the LLP's functional and the group's presentation currency.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

##### *(b) Transactions and balances*

Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

#### *Stocks*

Stocks of consumables are valued at the lower of cost and net realisable value.

#### *Leased assets and obligations*

All leases are operating leases and the annual rentals are charged to profit and loss on a straight line basis over the term of the lease.

The group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard (1 May 2017) to continue to be charged over the period to the first market rent review rather than the term of lease.

For leases entered into on or after 1 May 2017, reverse premiums and similar incentives received to enter into operating lease agreements are released to profit or loss over the term of the lease.

Where the group has a legal obligation, a dilapidations provision is gradually provided over the period of the lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease.

#### *Members' remuneration*

Members' remuneration that is not wholly discretionary on the part of the LLP is charged to the profit and loss account in the period in which it is incurred. Discretionary divisions of profit are treated as an allocation of profit and not expensed through the profit and loss account.

# Gardiner & Theobald LLP

## Notes forming part of the financial statements For the year ended 30 April 2020 (*continued*)

---

### 1 Accounting policies (*continued*)

#### *Retirement benefits*

Gardiner & Theobald LLP operates both a defined benefit and a defined contribution scheme, these being for both members and employees. The defined benefits scheme is now closed to new members and to further accruals of service.

For the defined benefit scheme the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the estimated regular cost of providing the benefits accrued in the period, adjusted to reflect variations from that cost. The interest cost and expected return on assets are included within other finance costs.

Actuarial gains and losses arising from full Actuarial valuations and annual updated Actuarial estimates to the balance sheet date are recognised in the Statement of Comprehensive income.

Defined benefit schemes are funded, with the assets held separately from the group in separate trustee administered funds. Full actuarial valuations, by a professionally qualified actuary, are obtained at least every three years and updated to reflect current conditions at each balance sheet date. The pension scheme assets are measured at fair value. The pension scheme liabilities are measured using the projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency. A pension scheme asset is recognised on the balance sheet only to the extent that the surplus may be recovered by reduced future contributions or to the extent that the trustees have agreed a refund from the scheme at the balance sheet date. A pension scheme liability is recognised to the extent that the group has a legal or constructive obligation to settle the liability.

For defined contribution schemes and contributions to personal pension plans the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### *Income tax and Current tax*

The income tax payable on profits of the LLP is the personal liability of the members during the year. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the LLP's subsidiaries operate and generate taxable income.

#### *Deferred taxation*

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the LLP's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# Gardiner & Theobald LLP

## Notes forming part of the financial statements For the year ended 30 April 2020 (*continued*)

---

### 1 Accounting policies (*continued*)

#### *Financial assets*

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

#### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

#### *Borrowings*

Interest bearing loans are recorded as the proceeds are received. Finance charges, where applicable, are accounted for on an accruals basis in the income statement and added to the carrying amount of the loan to the extent that they are not settled in the year in which they arise.

#### *Professional indemnity insurance*

Insurance premiums are expensed to the profit and loss account over the period of the insurance cover. Provision is made for any uninsured excess that is likely to be payable in respect of claims made. These are based on best estimates of the expected cash outflows, discounted to present value where appropriate.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the designated members have made the following judgements:

#### *Revenue recognition*

To determine fee income on third party contracts, estimates are made as to the stage of completion of these projects. The estimates are based on the remaining time and external costs to be incurred and the client's willingness and ability to pay for the services provided.

#### *Leases*

To determine whether leases entered into by the group are operating or finance leases depends on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

#### *Impairment of tangible assets*

To determine whether there are indicators of impairment of the group's tangible assets factors taken into consideration include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

#### *Impairment of trade receivables*

To determine whether there is objective evidence of impairment of trade receivables.

#### *Pension costs*

To determine the present value of the pension obligations based depends on a number of factors as detailed in note 19 of these financial statements.

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (continued)

## 3 Fee income

Fee income is wholly derived from the principal activities of the group and arose in the following geographical markets:

	2020 £'000	2019 £'000
United Kingdom	165,107	144,005
Rest of Europe	2,658	3,122
Rest of the World	48,132	44,007
	<u>215,897</u>	<u>191,134</u>

## 4 Employees

	2020 £'000	2019 £'000
Staff costs comprise:		
Salaries	64,671	52,415
Social security costs	6,487	5,401
Cost of defined benefit scheme (see note 19)	2,500	2,300
Cost of defined contribution scheme (see note 19)	2,088	1,729
	<u>75,746</u>	<u>61,845</u>

A defined benefit pension scheme is operated by the group on behalf of the employees of Gardiner & Theobald LLP. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents contributions payable by the group to the fund and amounted to £ 2,500,000 (2019 - £2,300,000). Contributions to the defined contribution scheme amounting to £ 325,000 (2019 - £322,000) were payable to the fund and are included in creditors at the year end.

The average monthly number of persons employed during the year (excluding members) was:

	2020 Number	2019 Number
Fee earning	816	718
Non fee earning	117	116
	<u>933</u>	<u>834</u>

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (*continued*)

<b>5</b>	<b>Operating profit</b>	<b>2020</b>	<b>2019</b>
		<b>£'000</b>	<b>£'000</b>
	This is arrived at after charging:		
	Depreciation of tangible fixed assets	844	926
	Loss on disposal of tangible fixed assets	-	42
	Foreign exchange loss	(29)	(82)
	Operating lease rentals:		
	- plant and machinery	541	668
	- other	5,198	4,883
	Defined benefit scheme pension cost (see note 19)	2,500	2,300
	Defined contribution scheme pension cost (see note 19)	2,088	1,729
	<b>Services provided by the LLP's auditor and its associates</b>		
	Fees for the statutory LLP's audit of the LLP's annual accounts	108	92
	Fees for the audit of the subsidiary companies	22	17
	Fees for the audit of the LLP's pension scheme	15	14
	<b>Total audit fees to group's auditor</b>	<b>145</b>	<b>123</b>
	Taxation compliance services	309	274
	Other professional fees	3	9
	<b>Total non-audit fees to group's auditor</b>	<b>312</b>	<b>283</b>
<b>6</b>	<b>Interest receivable and similar income</b>	<b>2020</b>	<b>2019</b>
		<b>£'000</b>	<b>£'000</b>
	Bank interest receivable	231	-
	Other interest receivable	38	-
		<b>269</b>	<b>-</b>
<b>7</b>	<b>Interest payable and similar charges</b>	<b>2020</b>	<b>2019</b>
		<b>£'000</b>	<b>£'000</b>
	Bank interest payable	68	92
	Other interest payable	37	40
		<b>105</b>	<b>132</b>

## Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (*continued*)

### 8 Other finance costs

	2020 £'000	2019 £'000
Net cost of pension scheme liabilities (note 19)	162	204
Other finance cost	6	-
	<u>168</u>	<u>204</u>

### 9 Members' share of profits

Profits are shared among the members in accordance with agreed profit sharing arrangements.

	2020 Number	2019 Number
Average number of members	155	155
	<u>155</u>	<u>155</u>

The LLP divides distributable profit according to the signed Members' Agreement, whereby profits are allocated in profit sharing ratios prevailing at the time.

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (*continued*)

## 10 Taxation on profit on ordinary activities

	2020 £'000	2019 £'000
<i>UK corporation tax:</i>		
Current tax on profits of the year	15	-
Prior year adjustments on UK entities	28	19
	<u>43</u>	<u>19</u>
<i>Foreign tax:</i>		
Current tax on foreign income for year	-	49
Prior year tax adjustments on foreign entities	(12)	-
	<u>(12)</u>	<u>49</u>
Total current tax	<u>31</u>	<u>68</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Changes to tax rates	95	(28)
Total deferred tax	<u>95</u>	<u>(28)</u>
Taxation on profit on ordinary activities	<u>126</u>	<u>40</u>

### Factors affecting tax charge for year

The corporation tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below:

	2020 £'000	2019 £'000
Profit on ordinary activities before tax	64,690	55,650
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19 % (2019 - 19%)	12,291	10,574
Effects of:		
Profit of the LLP, not subject to corporation tax	(12,274)	(10,578)
Loss on disposal, not subject to corporation tax	-	-
Other timing differences	14	8
Higher tax rates on overseas earnings	79	17
Adjustment in respect of prior periods	16	19
Taxation charge for year	<u>126</u>	<u>40</u>



# Gardiner & Theobald LLP

## Notes forming part of the financial statements For the year ended 30 April 2020 (*continued*)

### 10 Taxation on profit on ordinary activities (*continued*)

The aggregate current and deferred tax relating to items recognised in other comprehensive income is a charge of £ Nil (2019 – charge of £Nil).

The group's overseas tax rates are higher than those in the UK. There is no indication that these rates are likely to change in the near future.

For further information on deferred tax balances see note 20.

### 11 Tangible fixed assets

Group	Short leasehold property £'000	Fixtures, fittings, furniture and other equipment £'000	Total £'000
<i>Cost</i>			
At 1 May 2019	5,227	3,721	8,948
Exchange adjustments	54	57	111
Additions	116	463	579
Disposals	-	(74)	(74)
At 30 April 2020	<b>5,397</b>	<b>4,167</b>	<b>9,564</b>
<i>Depreciation</i>			
At 1 May 2019	3,805	2,808	6,613
Exchange adjustments	22	29	51
Provision for the year	496	348	844
Disposals	-	(74)	(74)
At 30 April 2020	<b>4,323</b>	<b>3,111</b>	<b>7,434</b>
<i>Net book value</i>			
At 30 April 2020	<b>1,074</b>	<b>1,056</b>	<b>2,130</b>
At 30 April 2019	<b>1,422</b>	<b>913</b>	<b>2,335</b>

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 *(continued)*

## 11 Tangible fixed assets *(continued)*

LLP	Short leasehold property £'000	Fixtures, fittings, furniture and other equipment £'000	Total £'000
<i>Cost</i>			
At 1 May 2019	3,691	2,001	5,692
Additions	-	78	78
Disposals	-	(74)	(74)
At 30 April 2020	3,691	2,005	5,696
<i>Depreciation</i>			
At 1 May 2019	3,203	1,949	5,152
Provision for the year	284	52	336
Disposals	-	(74)	(74)
At 30 April 2020	3,487	1,927	5,414
<i>Net book value</i>			
At 30 April 2020	204	78	282
At 30 April 2019	488	52	540

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (continued)

## 12 Fixed asset investments

LLP	Shares in subsidiary undertakings £'000
-----	--

Cost and net book value

At 1 May 2019 and 30 April 2020

-

During the year, the LLP held more than 20% of the equity of the following undertakings, whose results or financial performance principally affect the figures shown in the consolidated financial statements.

	Class of Holding	Proportion directly held	Nature of business	Country of Incorporation	Registered Office
Gardiner & Theobald Holdings Limited	Ordinary	100%	**	United Kingdom	(a)
		Proportion indirectly held			
Gardiner & Theobald Construction Management Limited	Ordinary	100%	*	United Kingdom	(a)
Gardiner & Theobald CEE Limited	Ordinary	100%	*	United Kingdom	(a)
Gardiner & Theobald Fairway Limited	Ordinary	100%	****	United Kingdom	(a)
Gardiner & Theobald Inc.	Ordinary	100%	***	USA	(b)
GTCM (Shanghai) Limited	Ordinary	100%	*	China	(c)

\* Non – trading company.

\*\* Holding company has not traded during the year.

\*\*\* The principal activity of this subsidiary is the same as the parent LLP as stated on page 1.

\*\*\*\* Provides consultancy services to the construction industry.

(a) 10 South Crescent, London, United Kingdom WC1E 7BD

(b) Delaware Corporate Organizers Inc, 1201 N Market Street, Post Office Box 1347, Wilmington, Delaware 19801 USA

(c) 15<sup>th</sup> Floor, Xin Mei Union Square, No 999 Pudong Road, Shanghai, Peoples Republic of China

## Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (continued)

### 13 Stock

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Consumables	1	1	1	1

### 14 Debtors

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Trade debtors	24,447	25,114	18,744	17,540
Amounts owed by group undertakings	-	-	2,968	2,706
Corporation tax	14	-	-	-
Deferred tax	(127)	(30)	-	-
Other debtors	684	952	289	711
Prepayments and accrued income	19,760	17,668	15,300	12,887
	<u>44,778</u>	<u>43,704</u>	<u>37,301</u>	<u>33,844</u>

All amounts shown under debtors fall due for payment within one year except:

Deferred tax liability recognised in respect of the accelerated capital allowances and short-term timing differences by some subsidiaries of the group. These will reverse in future periods.

The impairment loss recognised in the group income statement for the year in respect of bad and doubtful trade debtors was £249,000 (2019 - £750,589). The impairment loss recognised in the LLP income statement for the year in respect of bad and doubtful trade debts was £58,000 (2019 - £700,983).

### 15 Creditors: amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Bank loans	918	1,691	-	-
Trade creditors	2,759	1,990	2,489	1,676
Amounts due to group undertakings	-	-	585	542
Corporation tax	15	19	-	-
Taxation and social security costs	10,261	3,790	10,105	3,586
Other creditors	15,233	17,309	331	344
Accruals	8,763	5,398	7,728	4,292
	<u>37,949</u>	<u>30,197</u>	<u>21,238</u>	<u>10,440</u>

Included in bank loans is an amount of £723,000 (2019 - £1,502,891) which was secured against the assets of Gardiner & Theobald Inc. The remaining bank loan balances are unsecured.

## Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (*continued*)

### 16 Creditors: amounts falling due after more than one year

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Bank loans	211	391	-	-
Other creditors	959	889	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,170	1,280	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

The maturity of the sources of debt finance are as follows:

Group	Bank Loans 2020 £'000	Other Creditors 2020 £'000	Total 2020 £'000
In more than one year but not more than two years	195	180	375
In more than two years but not more than five years	16	213	229
After more than five years	-	566	566
	<hr/>	<hr/>	<hr/>
	211	959	1,170
	<hr/>	<hr/>	<hr/>
In one year or less (note 15)	918	-	918
	<hr/>	<hr/>	<hr/>
	1,129	959	2,088
	<hr/>	<hr/>	<hr/>
	Bank Loans 2019 £'000	Other Creditors 2019 £'000	Total 2019 £'000
In more than one year but not more than two years	188	87	275
In more than two years but not more than five years	203	261	464
After more than five years	-	541	541
	<hr/>	<hr/>	<hr/>
	391	889	1,280
	<hr/>	<hr/>	<hr/>
In one year or less (note 15)	1,691	-	1,691
	<hr/>	<hr/>	<hr/>
	2,082	889	2,971
	<hr/>	<hr/>	<hr/>

At the year end, bank loans of ENIL (2019 - £391,000) were secured against the assets of Gardiner & Theobald Inc. There are no amounts falling due after more than one year in the parent LLP.

## Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 *(continued)*

### 17 Financial instruments

The Group's and LLP's financial instruments may be analysed as follows:

	Group 2020 £'000	Group 2019 £'000
<b>Financial assets</b>		
Financial assets measured at amortised cost	107,508	88,833
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	20,080	22,271

Financial assets measured at amortised cost comprise stock, trade debtors, other debtors, cash and accrued income.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors and other creditors.

### 18 Provisions for liabilities

Group	Professional Indemnity provision £'000	Dilapidations £'000	Total £'000
At 1 May 2019	578	881	1,459
Charged to profit or loss	-	125	125
Utilised in year	-	(13)	(13)
Foreign exchange movements	2	-	2
	<u>580</u>	<u>993</u>	<u>1,573</u>
At 30 April 2020	580	993	1,573
	<u>580</u>	<u>993</u>	<u>1,573</u>
LLP	Professional Indemnity provision £'000	Dilapidations £'000	Total £'000
At 1 May 2019	500	881	1,381
Charged to profit or loss	-	125	125
Utilised in year	-	(13)	(13)
	<u>500</u>	<u>993</u>	<u>1,493</u>
At 30 April 2020	500	993	1,493
	<u>500</u>	<u>993</u>	<u>1,493</u>

The Group carries professional indemnity insurance (PII) and where a claim is agreed with the insurance company on notification, the liability for the claim amount above the excess is taken on by the insurance firm. No additional disclosure is made of the cost of claims covered by insurance as to do so could seriously prejudice the position of the position of the Group.

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (continued)

## 18 Provisions for liabilities (continued)

On certain property leases, there is a legal obligation to return the property to the original condition on expiry of the lease and a dilapidation provision will be created. Dilapidations are estimated assuming the lease is exited at the first break date and provided equally over this term. Dilapidation provisions are expected to be utilised by 30 April 2025.

## 19 Pensions

The limited liability partnership operates for certain employees a defined benefit scheme and a defined contribution scheme. The schemes' assets are held separately from those of the limited liability partnership in independently administered funds. The deed determines the appointment of trustees to the fund. The scheme is managed by a corporate trustee accountable to the pension scheme members. The trustees of the fund are required to act in the best interests of the beneficiaries.

### Defined contributions scheme

The LLP and certain subsidiaries make contributions to defined contribution schemes or personal pension plans.

The total defined contribution pension charge for the group in the year was £ 2,088,000 (2019 - £1,729,000). Contributions of £325,000 (2019 - £322,000) were payable at the year-end and are included within other creditors.

The total defined contribution pension charge for the year for the LLP was £1,929,000 (2019 - £1,471,000). Contributions of £331,000 (2019 - £292,000) were payable to the scheme at the year end and are included within other creditors.

### Defined benefits scheme

Contributions payable to the defined benefit scheme were £ 2,500,000 (2019 - £2,300,000) for the year. The LLP expects to contribute £2,100,000 (2019 - £2,300,000) to the scheme in the year to 30 April 2021. This is in line with the level required by the Scheme Actuary on an on-going funding basis, as reported in the Actuarial Valuation as at 1 April 2019.

That report recorded that the on-going funding level at that time was 85% with a deficit of £18,468,000. The final report recommended an annual recovery settlement of £2,100,000 per annum.

There were no changes to the scheme during the year and no amounts owing to the scheme at the year end.

The assets and liabilities used in the last actuarial valuation were:

	Value at 1 April 2019 £'000	Value at 1 April 2016 £'000
Market value of assets	107,097	85,985
Total past service liabilities	(125,565)	(108,971)
	<hr/>	<hr/>
On-going deficit	(18,468)	(22,986)
	<hr/>	<hr/>

# Gardiner & Theobald LLP

## Notes forming part of the financial statements For the year ended 30 April 2020 (continued)

### 19 Pensions (continued)

A full actuarial valuation was carried out at 31 March 2019 and updated to 30 April 2020 for the purposes of FRS102 by a qualified independent actuary. The principal assumptions used by the actuary were:

	2020 %	2019 %	2018 %
Rate of increase in salaries	N/A*	N/A*	N/A*
Discount rate	1.65	2.6	2.8
Inflation assumption - (RPI)	2.8	3.5	3.3
Inflation assumption - (CPI)	1.7**	2.4**	2.2**
Pension increases at CPI (max 2.5%)	1.6	2.0	1.9
Pension increases at CPI (max 5%)	3.0	3.2	3.1
Expected return on plan assets	1.65	2.6	2.1

\* This is not applicable now the scheme is closed to future accrual

\*\* Change from linking inflation from CPI rather than RPI following government announcements to use this as the statutory link.

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on bonds are based on gross redemption yields at the balance sheet date whilst the expected returns on the equity and property investments reflect the long-term real rates of return experienced in the respective markets.

Mortality rate assumptions are based on publicly available data in the UK, such as mortality tables. The mortality assumptions adopted at 30 April 2020 imply the following remaining life expectancies at age 65:

Assuming retirement at 65, the life expectancy in years is as follows:

	2020	2019
For a male aged 65 now	21.4	21.3
At 65 for a male member aged 45 now	22.4	22.3
For a female aged 65 now	23.4	23.2
At 65 for a female member aged 45 now	24.6	24.4



# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (*continued*)

## 19 Pensions (*continued*)

The major categories of plan assets were	Value at 2020 £'000	Value at 2019 £'000
Equities and structured equity	46,913	50,418
Liability and currency hedging	7,503	4,410
Bonds	27,958	13,710
Property	3,618	3,530
Insured Annuities	11,837	11,503
Alternatives	11,298	14,412
Cash	8,008	4,622
<b>Total plan assets</b>	<b>117,135</b>	<b>102,605</b>
<i>Actual return on plan assets</i>	<b>15,078</b>	<b>7,238</b>
<b>Analysis of amount charged to operating profit</b>		
Current service cost	-	-
<b>Amounts included in other finance costs</b>		
Net interest cost	162	204
<b>Analysis of actuarial loss recognised in other comprehensive income</b>		
Asset return less interest income recognised in profit and loss	12,417	4,560
Experience gains and losses arising on the scheme liabilities	(272)	(2,022)
Changes in assumptions underlying the present value of the scheme liabilities	(14,975)	(3,640)
<b>Actuarial loss recognised in Other Comprehensive Income</b>	<b>(2,830)</b>	<b>(1,102)</b>
<b>Changes in the present value of the defined benefit obligation</b>		
Opening defined benefit obligation	110,059	104,333
Interest cost	2,823	2,882
Actuarial gain	15,247	5,662
Benefits paid	(3,023)	(2,818)
<b>Closing defined benefit obligation</b>	<b>125,106</b>	<b>110,059</b>

## Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 *(continued)*

### 19 Pensions *(continued)*

	Value at 30 April 2020 £'000	Value at 30 April 2019 £'000
<b>Changes in the fair value of plan assets</b>		
Opening plan assets	102,605	95,885
Interest income	2,661	2,678
Actuarial loss	12,417	4,560
Contributions by employer	2,475	2,300
Benefits paid	(3,023)	(2,818)
	<hr/>	<hr/>
Closing plan assets	117,135	102,605
	<hr/>	<hr/>
	2020 £'000	2019 £'000
Fair value of plan assets	117,135	102,605
Present value of plan liabilities	(125,106)	(110,059)
	<hr/>	<hr/>
Net pension scheme liability	(7,971)	(7,454)
	<hr/>	<hr/>

### 20 Deferred taxation

The LLP has no deferred tax liability or asset as taxation on a members' share of the LLP's profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements.

# Gardiner & Theobald LLP

Notes forming part of the financial statements  
For the year ended 30 April 2020 (continued)

## 21 Commitments under operating leases

At 30 April the group and LLP had the following minimum lease payment commitments under non-cancellable operating leases as follows:

	Land and buildings 2020 £'000	Other 2020 £'000	Land and buildings 2019 £'000	Other 2019 £'000
<b>Group</b>				
Not later than one year	5,543	63	5,465	267
Between one year and five years	16,337	75	17,769	82
After more than five years	381	-	1,568	-
	<u>22,261</u>	<u>138</u>	<u>24,802</u>	<u>349</u>
<b>LLP</b>				
Not later than one year	4,252	10	3,929	216
Between one year and five years	12,572	-	14,064	10
After more than five years	-	-	1,202	-
	<u>16,824</u>	<u>10</u>	<u>19,195</u>	<u>226</u>

## 22 Capital commitments

There were no capital commitments in the Group or the LLP as at 30 April 2020 or as at 30 April 2019.

## 23 Related party disclosures

There is no ultimate controlling party of Gardiner & Theobald LLP.

The LLP has taken advantage of the exemption under FRS 102, not to disclose transactions between the LLP itself and its wholly owned subsidiaries.

Key management personnel include all designated members and a number of senior members and senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £82,841,000 (2019 - £73,563,000).

## 24 Contingent liabilities

Gardiner & Theobald LLP has given various undertakings to HSBC in respect of members' capital loans that support the capital of the business amounting to £13,474,500 (2019 - £13,835,000). The LLP's borrowings from HSBC are secured by a debenture over all of the assets of the LLP.