

Limited Liability Partnership Registration No. OC311400 (England and Wales)

SIMKINS LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

PAGES FOR FILING WITH REGISTRAR

SIMKINS LLP

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SIMKINS LLP

STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Non-current assets					
Property, plant and equipment	3		173,214		211,981
Current assets					
Trade and other receivables	4	4,297,457		3,254,627	
Cash and cash equivalents		2,825,424		2,237,339	
		<u>7,122,881</u>		<u>5,491,966</u>	
Current liabilities	5	<u>(2,005,768)</u>		<u>(1,613,922)</u>	
Net current assets			<u>5,117,113</u>		<u>3,878,044</u>
Total assets less current liabilities			<u>5,290,327</u>		<u>4,090,025</u>
Provisions for liabilities			<u>(136,000)</u>		<u>(169,000)</u>
Net assets attributable to members			<u>5,154,327</u>		<u>3,921,025</u>
Represented by:					
Loans and other debts due to members within one year					
Amounts due in respect of profits			3,774,327		2,486,025
Members' other interests					
Members' capital classified as equity			1,380,000		1,435,000
			<u>5,154,327</u>		<u>3,921,025</u>
Total members' interests					
Loans and other debts due to members			3,774,327		2,486,025
Members' other interests			1,380,000		1,435,000
			<u>5,154,327</u>		<u>3,921,025</u>

The members of the limited liability partnership have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

SIMKINS LLP

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 APRIL 2021

The financial statements were approved by the members and authorised for issue on 7 January 2022 and are signed on their behalf by:

Mr E Lawson
Designated member

Mr P J Gardiner
Designated Member

Limited Liability Partnership Registration No. OC311400

SIMKINS LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Limited liability partnership information

Simkins LLP is a limited liability partnership incorporated in England and Wales. The registered office is Lynton House, 7/12 Tavistock Square, London, WC1H 9LT.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

COVID-19 has had a significant impact on our clients, members, employees and business. The length of this disruption is uncertain and will not be limited to the limited liability partnership but the entire industry. The limited liability partnership has continued trading and the members have and continue to closely monitor the situation and have taken cost saving steps to reinforce business continuity and maintain a strong financial position. The Members responded promptly to the situation and all costs and overheads were reviewed. Government support has been obtained in the form of VAT deferment and the job retention scheme.

Since the summer of 2021, restrictions have eased and the industry is returning to pre pandemic conditions. Results for the first half of 2021 have been positive.

At the time of approving the financial statements, the members have reviewed the cash flow forecast for the 12 months from the date of signing these financial statements and have a reasonable expectation that the limited liability partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

SIMKINS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.3 Revenue

Turnover represents amounts receivable for the supply of professional services provided during the year excluding value added tax. Turnover 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.

If the right to consideration is conditional or contingent on a specified future event or outcome, which is outside the control of the firm, revenue is not recognised until that critical event occurs and is carried forward as work in progress.

Unbilled turnover is included in debtors as "Amounts recoverable on contracts". Amounts billed on account of work in progress are shown as a deduction from gross work in progress to the extent that they are not recognised as turnover.

The basis of valuation of turnover unbilled to clients on incomplete contracts is reviewed each year to ensure that the basis reflects the value that will ultimately be realised.

Amounts recoverable on contracts which are included in debtors are stated at net sales value of the work done after provision for contingencies and anticipated future losses on contracts less amounts received as progress payments on account.

1.4 Members' participating interests

Members' participation rights are the rights of a member against the limited liability partnership that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the limited liability partnership are analysed between those that are, from the limited liability partnership's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the limited liability partnership has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the limited liability partnership has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

SIMKINS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% on cost
Computers	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Taxation

Members are personally liable for taxation on their share of the partnership profits. Consequently no reserve for taxation is made in these financial statements, and the profits are shown within Members' Interests or as 'Loans and other debts due to Members' without any deduction for tax.

SIMKINS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.9 Provisions

Provisions are recognised when the limited liability partnership has a legal or constructive present obligation as a result of a past event, it is probable that the limited liability partnership will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits and post retirement payments to members

The LLP operates a defined contribution pension scheme and the pension charge represents the amounts payable by the LLP to the fund in respect of the year.

The assets of the plan are held separately from the limited liability partnership in independently administered funds.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average number of persons (excluding members) employed by the LLP during the year was 38 (2020 - 40).

SIMKINS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

3 Property, plant and equipment

	Plant and machinery etc
	£
Cost	
At 1 May 2020	932,541
Additions	60,299
Disposals	(27,464)
At 30 April 2021	965,376
Depreciation and impairment	
At 1 May 2020	720,559
Depreciation charged in the year	99,067
Eliminated in respect of disposals	(27,464)
At 30 April 2021	792,162
Carrying amount	
At 30 April 2021	173,214
At 30 April 2020	211,981

4 Trade and other receivables

	2021	2020
	£	£
Amounts falling due within one year:		
Trade receivables	3,296,019	2,315,975
Amounts recoverable on contracts	565,163	549,718
Other receivables	131,859	93,035
Prepayments and accrued income	304,416	295,899
	4,297,457	3,254,627

5 Current liabilities

	2021	2020
	£	£
Trade payables	328,977	308,033
Taxation and social security	717,468	673,230
Other payables	959,323	632,659
	2,005,768	1,613,922

SIMKINS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

6 Retirement benefit schemes

Defined contribution schemes

Contributions amounting to £10,723 (2020: £7,280) were outstanding at the year end and are included within other creditors.

7 Loans and other debts due to members

Capital is normally repaid to members after they cease to be members of Simkins LLP. In the event of Simkins LLP going into administration or being wound up, the members' capital within Simkins LLP ranks after unsecured creditors who are not members of Simkins LLP.

No restrictions or limitations exist on the ability of the members to reduce the amount of 'Members' other interests'.

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Sarah Squires BEng FCA.
The auditor was MGI Midgley Snelling LLP.

9 Operating lease commitments

Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2021	2020
£	£
1,126,490	1,473,102

10 Restatement of comparatives

A prior year restatement has been made to reclassify work in progress to other debtors on the balance sheet and from cost of sales to income on the income statement.

This adjustment had no impact on the prior year profit.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.