

SHAKESPEARE MARTINEAU LLP
ANNUAL REPORT
FOR THE YEAR ENDED 30 APRIL 2023

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COMPANIES HOUSE

SHAKESPEARE MARTINEAU LLP

LLP INFORMATION

Designated members

Ampa Holdings LLP
S J Walker-Smith
A R Whitehead
K Patel
K H Spedding

LLP registered number

OC319029

Registered office

No 1 Colmore Square
Birmingham
B4 6AA

Independent auditor

Cooper Parry Group Limited
Cubo Birmingham
Office 401
4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

SHAKESPEARE MARTINEAU LLP

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SHAKESPEARE MARTINEAU LLP

**CHIEF EXECUTIVE STATEMENT
FOR THE YEAR ENDED 30 APRIL 2023**

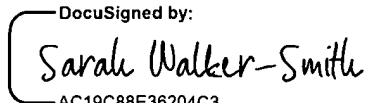
The members present their report and the financial statements for the year ended 30 April 2023.

Shakespeare Martineau LLP is part of the professional services group owned by Ampa Holdings LLP (OC435936). As such the detailed Chief Executive report is available in the Ampa Holdings LLP consolidated financial statements which are available from Companies House, Cardiff, CF14 3UZ.

At the date of writing this report the Ampa Holdings LLP group consisted of the following trading entities, Shakespeare Martineau LLP, Mayo Wynne Baxter LLP, Coadax LLP, Cyber Security Strategies Limited.

This report was approved on behalf of the members and signed on their behalf.

DocuSigned by:

A handwritten signature in black ink that reads "Sarah Walker-Smith". The signature is written in a cursive, flowing style.

AC19C88E36204C3...

Sarah Walker-Smith
Chief Executive

Date: 06 October 2023

SHAKESPEARE MARTINEAU LLP

MEMBERS' REPORT FOR THE YEAR ENDED 30 APRIL 2023

The members present their annual report together with the audited financial statements of Shakespeare Martineau LLP (the "LLP") for the year ended 30 April 2023.

Principal activities

The principal activity of the LLP is to provide the provision of legal and related advisory services. There have not been any significant changes in the LLP's principal activity in the year under review.

The LLP intends to continue to seek out appropriate opportunities for organic and acquisitive growth and take advantage of its increasingly prominent position in a competitive market.

Business review

As shown in the profit and loss account on page 10 the LLP's revenue was £90.8m (2022: £80.2m). Profit for the year available for discretionary division to the members decreased by 8% to £8.6m (2022: £9.3m). Profit for the year will be allocated in line with the LLP's agreement and as such the profit will be allocated to Ampa Holdings LLP which is the controlling member. Details of the profit allocation basis for Ampa Holdings LLP can be found in the group consolidated financial statements. Details of how to obtain can be found in note 20.

Given these results and a stable capital structure, the members believe the LLP to be in a robust financial position, this has been further detailed and considered in note 1 of the financial statements.

The economic conditions, regulatory changes and competition facing the legal services marketplace means that gains are not expected to be achievable uniformly across all legal services within the UK. The LLP continues to ensure that its financial integrity is safeguarded by close financial control and the business is positioned to take full commercial advantage of opportunities that may be available for growth.

Members

The designated members who served during the year and up to the date of approval are:

Ampa Holdings LLP
S J Walker-Smith
A R Whitehead
K Patel
K H Spedding

Principal risks and uncertainties

The LLP faces opportunities and risks resulting from commercial and legislative changes to the marketplace. These include the influence of supply and demand of available talent and new entrants to the provision of legal services from other sectors and industries.

The commoditisation of traditional legal services has affected, and will continue to affect fees, together with a demand for constantly increasing value and efficiency. The LLP is confident that it will meet and surpass these challenges and continue to invest in technology, processes, talent and growth to ensure it can compete and successfully expand.

The LLP strives to provide the highest level of service to its clients by focusing on recruiting and retaining the most talented people, maintaining a clear commitment to ongoing professional development, and by ensuring the provision of excellent services and robust systems.

The LLP is financed by a mixture of members' capital and bank finance. The gearing level within the LLP and exposure to capital market liquidity issues and interest rate fluctuations are low.

SHAKESPEARE MARTINEAU LLP

MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Employees

Details of the numbers of employees and related costs can be found in note 6 to the financial statements.

The LLP believes that attracting, recruiting, developing and retaining the best people and enabling them to be their best creates the best outcomes for our clients. The LLP recognises that a diverse and vibrant workforce fuels energy and ambition across the business; and ensures it reflects the clients and markets it serves.

The LLP constantly works to reinforce a culture of openness and equality, where everyone can be themselves. In our culture people are treated fairly no matter their age, ability, ethnicity, gender, marital status, nationality, part time or fixed term status, parental responsibility, religion or belief, or sexual orientation.

With these aims, the LLP actively promotes equality and inclusion in all of its policies, practices, guidance and procedures, in professional dealings with its employees and members, and with other solicitors, barristers, clients and third parties.

The LLP encourages its people to embrace empowered work; by working when and where they are most productive and effective, while always keeping client, colleague and business needs at the forefront, everyone benefits. It is committed to keeping everyone informed, connected and engaged - with what they need to know and with each other, no matter where and when they work. They do this using a mix of channels, including regular live all people updates (made available on-demand); video updates; internal e-newsletters; and an employee app; as well as using collaboration technology such as MS Teams and Zoom.

Environmental Policy

The LLP recognises the importance of its environmental responsibilities, monitors its effect on the environment and designs and implements policies to reduce any adverse impact resulting from its activities. Initiatives include the safe disposal of electronic equipment, and recycling and reducing energy consumption wherever practical to do so.

The LLP's environmental policy aims to minimise, where practical, the LLP's impact on the environment and to make positive difference where we can. Our ambition is to achieve carbon net zero by 2025. We will achieve this through a continued targeted approach to reduction through education, changes in ways of working and purchasing decisions, collaboration with our suppliers and collaboration with other businesses and our clients, who we can work with and learn from, to identify steps we can take.

The LLP ensures that all laws, regulations and official guidelines operational in the United Kingdom are complied with. The LLP monitors areas where the LLP could have an impact on the environment and take steps to reduce this impact. Reviews of the impact on the environment in these and other areas will continue to be undertaken to enable the LLP's environmental performance to be assessed and further improved.

SHAKESPEARE MARTINEAU LLP

MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Waste and recycling, energy use and climate change

As a business, we continually strive to improve our carbon footprint by reducing our landfill waste and increasing our recycling waste and have set the objective to reduce our waste to landfill.

Streamlined Energy and Carbon Reporting (SECR)

Information regarding SECR can be found in the group accounts of the ultimate parent LLP, Ampa Holdings LLP, please see note 21.

Transactions with members

The allocation of profits to those who were members during the financial year is made following the completion of the annual financial statements and their subsequent approval by the members' board.

All payments are made subject to the cash requirements of the business, which take priority.

The capital requirement from each member is set by the members' board from time to time and is contributed by the members in proportion to their interest in the LLP.

Members' responsibilities

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

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHAKESPEARE MARTINEAU LLP

**MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

Disclosure of information to auditor

Each of the persons who are designated members at the time when this members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditor is unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

This report was approved on behalf of the members and signed on their behalf.

DocuSigned by:

235583A144E5433...
Andrew Whitehead
Designated member

Date: 06 October 2023

SHAKESPEARE MARTINEAU LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHAKESPEARE MARTINEAU LLP

Opinion

We have audited the financial statements of Shakespeare Martineau LLP (the 'LLP') for the year ended 30 April 2023, which comprise the profit and loss account, the balance sheet, the reconciliation of members' interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 30 April 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

SHAKESPEARE MARTINEAU LLP

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHAKESPEARE MARTINEAU LLP
(CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the members' responsibilities statement set out on page 4, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

SHAKESPEARE MARTINEAU LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHAKESPEARE MARTINEAU LLP (CONTINUED)

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment focused on key laws and regulations the LLP has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the LLP through discussions with management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the LLP's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, our approach included:

- testing journal entries to identify unusual transactions;
- reviewing the minutes of meeting of management and those charged with governance;
- assessing whether judgements and assumptions made in determining the accounting estimates, in particular unbilled revenue, professional indemnity provision, dilapidations provision and bad debt provision, were indicative of potential bias;
- investigating the rationale behind significant or unusual transactions; and
- reviewing management's basis for provisions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and associated parties.

SHAKESPEARE MARTINEAU LLP

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHAKESPEARE MARTINEAU LLP
(CONTINUED)**

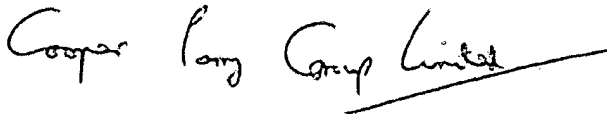
Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. This risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members, as a body, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Cooper Parry Group Limited', with a long horizontal line extending from the end of the signature.

Daniel Parker (Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham
Office 401
4th Floor
Two Chamberlain Square
Birmingham
B3 3AX

Date: 6 October 2023

SHAKESPEARE MARTINEAU LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2023**

	Note	12 month and 3 day period ended 03 May 2023 £000	12 month period ended 30 April 2022 £000
Amounts billed	3	85,569	78,323
Movement in unbilled revenue	3	6,109	1,840
Revenue		91,678	80,163
Staff costs	6	(41,566)	(34,001)
Depreciation and amortisation of fixed assets	9	(2,534)	(1,605)
Other operating charges		(40,062)	(35,329)
Other operating income	4	301	128
Operating profit	5	7,817	9,356
Interest receivable and similar income		1,061	98
Interest payable and similar expenses		(295)	(134)
Profit for the year before members' remuneration and profit share		8,583	9,320
Members' remuneration charged as an expense		-	-
Profit for the financial year available for discretionary division among members		8,583	9,320

There were no recognised gains and losses for 2023 or 2022 other than those included in the profit and loss account.

There was no other comprehensive income for 2023 (2022: £Nil).

The notes on pages 14 to 26 form part of these financial statements.

SHAKESPEARE MARTINEAU LLP
REGISTERED NUMBER: OC319029

BALANCE SHEET
AS AT 30 APRIL 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	8	125	-
Tangible assets	9	14,501	9,476
Investments	10	202	-
		<u>14,828</u>	<u>9,476</u>
Current assets			
Debtors	11	60,138	53,421
Cash at bank and in hand		2,710	3,575
		<u>62,848</u>	<u>56,996</u>
Creditors: amounts falling due within one year	12	(47,492)	(32,025)
Net current assets		<u>15,356</u>	<u>24,971</u>
Total assets less current liabilities		<u>30,184</u>	<u>34,447</u>
Creditors: amounts falling due after more than one year	13	(500)	(1,750)
		<u>29,684</u>	<u>32,697</u>
Provisions for liabilities			
Provisions for liabilities	15	(2,415)	(3,052)
Net assets		<u><u>27,269</u></u>	<u><u>29,645</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		18,728	18,728
Other amounts		(42)	1,597
		<u>18,686</u>	<u>20,325</u>
Members' other interests			
Other reserves classified as equity		8,583	9,320
		<u>27,269</u>	<u>29,645</u>
Total members' interests			
Loans and other debts due to members		18,686	20,325
Members' other interests		8,583	9,320
		<u><u>27,269</u></u>	<u><u>29,645</u></u>

SHAKESPEARE MARTINEAU LLP
REGISTERED NUMBER: OC319029

BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2023

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

DocuSigned by:

235563A144E5433...
Andrew Whitehead
Designated member

Date: 06 October 2023

The notes on pages 14 to 26 form part of these financial statements.

SHAKESPEARE MARTINEAU LLP

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 30 APRIL 2023

	EQUITY Members' other interests	DEBT Loans and other debts due to members less any amounts due from members in debtors			Total members' interests
	Other reserves £000	Members' capital (classified as debt) £000	Other amounts £000	Total £000	Total £000
Amounts due to members		13,125	5,603	18,728	
Balance at 1 May 2021	8,959	13,125	5,603	18,728	27,687
Profit for the year available for discretionary division among members	9,320	-	-	-	9,320
Members' interests after profit for the year	18,279	13,125	5,603	18,728	37,007
Other division of profits	(8,959)	-	8,959	8,959	-
Recapitalisation by the parent LLP	-	18,728	-	18,728	18,728
Repayment of capital through capital exchange with parent LLP	-	(13,125)	-	(13,125)	(13,125)
Transfer to parent through capital exchange	-	-	(5,603)	(5,603)	(5,603)
Drawings	-	-	(7,362)	(7,362)	(7,362)
Amounts due to members		18,728	1,597	20,325	
Balance at 30 April 2022	9,320	18,728	1,597	20,325	29,645
Profit for the year available for discretionary division among members	8,583	-	-	-	8,583
Members' interests after profit for the year	17,903	18,728	1,597	20,325	38,228
Other divisions of profit	(9,320)	-	9,320	9,320	-
Drawings	-	-	(10,958)	(10,958)	(10,958)
Amounts due to members		18,728	(42)	18,686	
Balance at 30 April 2023	8,583	18,728	(42)	18,686	27,269

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of members' other interests.

The notes on pages 14 to 26 form part of these financial statements.

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

Shakespeare Martineau LLP is a Limited Liability Partnership ('LLP'), incorporated in the United Kingdom. The address of its registered office is shown on the LLP information page of these financial statements. The LLP is a firm of solicitors qualified to practice in England and Wales and are authorised and regulated by the Solicitors Regulation Authority ('SRA') with number 442480. The LLP operates in accordance with a code of conduct and other regulations contained within the SRA's handbook. For further information or to see a copy of the handbook, please visit www.sra.org.uk.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The financial statements are prepared in Sterling (£'000), which is the functional currency of the LLP. The financial statements are for a period of 12 months and 3 days ended 3 May 2023 (2022: 12 months ended 30 April 2022).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the LLP's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following principal accounting policies have been applied:

1.2 Exemptions

The LLP is a parent LLP that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking, Ampa Holdings LLP, and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006. The group accounts of Ampa Holdings LLP are available to the public and can be obtained as set out in note 20.

As permitted by FRS 102 the LLP has taken advantage of the following disclosure exemptions in preparing these financial statements:

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

Where required equivalent disclosures are given in the Group accounts of Ampa Holdings LLP.

1.3 Going concern

At the balance sheet date the LLP had total members' interests of £27,269,000 and net current assets of £15,355,000.

The members have prepared forecasts which cover a period of 12 months from signing the financial statements. The members consider through effective financial control there is enough headroom on cash reserves to conclude that the group will continue to meet its financial liabilities as they fall due for a period of not less than 12 months from the date of signing these accounts. On that basis, the members have prepared these financial statements on a going concern basis.

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.4 Revenue

Revenue represents amounts chargeable to clients for professional services provided during the year, excluding value added tax and disbursements billed to clients. Revenue is recognised when a right to consideration has been obtained through performance under each contract. Revenue is not recognised where the right to receive payment is contingent on events outside the control of the LLP. The nature of the contingency is assessed by reference to conditions existing at the balance sheet date.

Revenue is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Segmental information is not disclosed as the members believe that to do so would be prejudicial to the interests of the firm.

Services provided to clients during the year which, at the balance sheet date, have not been invoiced to clients, have been recognised as revenue. Revenue recognised in this manner is based on assessment of the fair value of services provided by the balance sheet date as a proportion of the total value of the engagement. Unbilled revenue is included in debtors.

1.5 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold land	- Nil
Long term leasehold property	- Remaining length of lease
Office equipment	- 2 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account.

1.6 Financial instruments

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the balance sheet date.

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.7 Leases

Rentals payable under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the LLP recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis. Lease incentives for leases that commenced prior to 1 May 2014 continue to be spread over the period to the next rent review as permitted under the transitional rules of FRS 102.

1.8 Taxation

Taxation on all of the LLP's profits is solely the personal liability of individual members. Consequently, neither taxation nor related deferred taxation arising in the LLP is accounted for in these financial statements. Amounts retained for tax are treated in the same way as other profits of the LLP and so are included in members' other interests or in loans and other debts due to members' depending on whether or not division of profits has occurred.

1.9 Division and distribution of profits

A division of profits is the mechanism by which the profits of an LLP become a debt due to members. A division may be automatic or discretionary, may relate to some or all of the profits for a financial period and may take place during or after the end of a financial period.

An automatic division of profits is one where the LLP does not have an unconditional right to avoid making a division of an amount of profits based on the members' agreement in force at the time, whereas a discretionary division of profits requires a decision to be made by the LLP, which it has the unconditional right to avoid making.

The LLP divides profits automatically. Automatic divisions of profits are recognised as 'members' remuneration charged as an expense' in the profit and loss account.

1.10 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

1.11 Valuation of investments

Investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment losses are recognised immediately in the profit and loss account.

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.12 Provisions for liabilities

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

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

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

Where the effect of time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount of the discount rate is recognised as a finance cost in the profit and loss account in the period it arises.

Where the LLP has a legal obligation as set out in a property lease agreement, a dilapidations provision is created. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease and are reviewed annually.

In common with comparable businesses, the LLP is involved in disputes in the ordinary course of business which may give rise to claims. A provision is made in the financial statements for all claims where costs are likely to be incurred and represents the cost of defending and concluding claims. Shakespeare Martineau LLP carries professional indemnity insurance and no separate disclosure is made of the cost of claims covered by insurance as to do so could materially prejudice the position of the LLP.

1.13 Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

Certain of the LLP's employees are members of the Cheviot Trust With Profits Pension Scheme. The scheme imposes funding obligations on employers and as a result is treated as a defined benefit pension scheme. At 30 April 2023, the scheme is in deficit and the LLP's share of the scheme's assets and liabilities is not material to the financial statements. Therefore no adjustments have been made to the financial statements to account for the scheme as a defined benefit scheme and contributions are charged to the profit and loss account as they become payable.

The LLP recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary and on-costs payable for the period of absence and is presented within accruals.

1.14 Drawings

Drawings represent payments on account of profits which may be allocated to members. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP and may be reclaimed from members until profits have been allocated to them. Unallocated profits are included within members' other interests, classified as equity. Members are remunerated via the parent entity, Ampa Holdings LLP.

SHAKESPEARE MARTINEAU LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

1. Accounting policies (continued)

1.15 Members' capital

Initial capital contributions ('principal capital') of each of the members are amounts as set out in the LLP agreement. Further members shall contribute upon admission to the LLP such capital as determined by the LLP agreement.

Members can not withdraw or receive back any part of their principal capital contribution account except in specific circumstances detailed in the LLP agreement. Members' principal capital is therefore classified as a liability.

1.16 Profit allocations

Profit allocations are recognised in the year in which they are declared and become a present obligation of the LLP. Unallocated profits are recognised in equity ('other reserves') until such a time as they become allocated.

1.17 Transfer of members' interests

During the year £9,320,000 was transferred from members' capital interests to debts due to members.

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**2. Judgments in applying accounting policies and key sources of estimation uncertainty**

The members make estimates and assumptions concerning the future. The members are also required to exercise judgement in the process of applying the LLP's accounting policies. These are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Unbilled revenue

The members review amounts included in unbilled revenue for impairment by reference to factors including recognition of billable amounts, recoverability and current client status.

Recoverability of trade debtors

Trade debtors and accrued income are recognised to the extent that they are judged recoverable. The members' reviews are performed to estimate the level of provision required for irrecoverable debt.

The members make allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

Provisions

A provision is recognised when the LLP has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

3. Turnover

Segmental information is not disclosed as the members believe that to do so would be prejudicial to the interests of the firm.

4. Other operating income

	2023 £000	2022 £000
Transaction processing fees	256	128
Other income	45	-
	<u>301</u>	<u>128</u>

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

5. Operating profit

The operating profit is stated after charging:

	2023 £000	2022 £000
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	67	60
Fees payable to the LLP's auditor and its associates for other services	22	20
Other operating lease rentals	3,237	3,253
Depreciation of tangible fixed assets	2,534	1,605
	<u> </u>	<u> </u>

6. Employees

Staff costs were as follows:

	2023 £000	2022 £000
Wages and salaries	36,148	29,661
Social security costs	3,878	3,082
Other pension costs	1,540	1,258
	<u> </u>	<u> </u>
	41,566	34,001
	<u> </u>	<u> </u>

The LLP contributes to a defined contribution pension scheme for the benefit of the employees. The assets of the schemes are administered by independent pension providers. Pension payments recognised as an expense during the year amount to £1,540,000 (2022: £1,258,000).

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2023 No.	2022 No.
Fee earners	524	460
Administrative support staff	402	350
	<u> </u>	<u> </u>
	926	810
	<u> </u>	<u> </u>

SHAKESPEARE MARTINEAU LLP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023****7. Members' remuneration**

Profits are shared among the members in accordance with agreed profit sharing arrangements. Members are required to make their own pensions from their profit shares.

	2023 No.	2022 No.
The average number of designated members during the year was	5	6
	<u>5</u>	<u>6</u>
	2022 £000	2022 £000
Profit attributable to the member with the largest entitlement	8,583	9,320
	<u>8,583</u>	<u>9,320</u>

The profit for the year ended 30 April 2023 is paid to the controlling member, Ampa Holdings LLP.

8. Intangible assets

	Customer lists £000
Cost	
Additions	125
At 30 April 2023	<u>125</u>
Net book value	
At 30 April 2023	<u>125</u>
At 30 April 2022	<u>-</u>

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

9. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Office equipment £000	Assets in the course of construction £000	Total £000
Cost					
At 1 May 2022	5	4,660	13,658	5,174	23,497
Additions	-	1,541	1,225	4,793	7,559
Transfers between classes	-	-	4,578	(4,578)	-
At 30 April 2023	5	6,201	19,461	5,389	31,056
Depreciation					
At 1 May 2022	-	3,542	10,479	-	14,021
Charge for the year	-	711	1,823	-	2,534
At 30 April 2023	-	4,253	12,302	-	16,555
Net book value					
At 30 April 2023	5	1,948	7,159	5,389	14,501
At 30 April 2022	5	1,118	3,179	5,174	9,476

10. Fixed asset investments

On 30 September 2022, the LLP acquired 100% share capital of Greg Latchams Holding Company Limited and its subsidiary undertakings.

	Investments in subsidiary companies £000
Cost or valuation	
At 1 May 2022	-
Additions	202
At 30 April 2023	202

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

10. Fixed asset investments (continued)

The undertakings in which the LLP has an interest at the year end are as follows:

Subsidiary undertakings	Holding	Proportion of voting rights and ordinary share capital held	Nature of business
Gregg Latchams Holding Company Limited*	Direct	100%	Holding company
Gregg Latchams Limited**	Indirect	100%	Legal services
Gregg Latchams WRH Executor & Trustee Company**	Indirect	100%	Dormant
Needham & James Secretarial Services Limited***	Direct	100%	Dormant
Norbury Park Nominees Limited*	Direct	100%	Dormant
Shakespeare Legal Services Limited*	Direct	100%	Dormant
SM Client Nominees Limited***	Direct	100%	Dormant
Martineau Secretaries Limited*	Direct	100%	Dormant
Needham & James Services Limited***	Direct	100%	Dormant
Putsmans Limited***	Direct	100%	Dormant
Marjo Nominees Limited*	Direct	100%	Dormant
St. Peter's House Limited*	Direct	100%	Dormant
St Peters House (Nominees) Limited*	Direct	100%	Dormant
Shakespeares Legal Directors Limited***	Direct	100%	Dormant
SGH Trustees Limited***	Direct	100%	Dormant
Needham & James Limited***	Direct	100%	Dormant
Martineau Johnson Properties Limited*	Direct	100%	Dormant
Legal Solutions Management Limited***	Direct	100%	Dormant
SP Legal Directors Limited***	Direct	100%	Dormant
Berryman Shacklock Limited***	Direct	100%	Dormant
Shakespeare (Nominees) Limited***	Direct	100%	Dormant
Building Bridges (Mediation Services) Limited***	Direct	100%	Dormant
Martineau Johnson Trustees Limited*	Direct	100%	Dormant
Gorrara Haden Limited***	Direct	100%	Dormant
Colmore Square Trustees Limited*	Direct	100%	Dormant
Wood Glaister Limited*	Direct	100%	Dormant
Philsec Limited*	Direct	100%	Dormant
Meaujo Incorporations Limited*	Direct	100%	Dormant
SGH Trustee Services Limited***	Direct	100%	Dormant
SGH Company Secretaries Limited***	Direct	100%	Dormant
Avon Executor and Trustee Company Limited**	Indirect	100%	Dormant

Registered office:

* No 1 Colmore Square, Birmingham, B4 6AA

** 6 Queen Square, Bristol, BS1 4JE

*** 6th Floor, 60 Gracechurch Street, London, EC3V 0HR

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

11. Debtors

	2023 £000	2022 £000
Trade debtors	33,212	37,904
Unbilled revenue	18,406	11,797
Other debtors	68	1,189
Prepayments and accrued income	8,452	2,531
	<u>60,138</u>	<u>53,421</u>

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

12. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Bank overdrafts	4,976	4,841
Bank loans	1,190	1,585
Trade creditors	14,661	8,588
Amounts owed to group undertakings	18,378	9,996
Other taxation and social security	4,019	3,280
Other creditors	-	94
Accruals and deferred income	4,268	3,641
	<u>47,492</u>	<u>32,025</u>

Bank loans are secured against assets of the LLP. The LLP has two bank loans. One being a long term loan which is repayable in quarterly installments over 5 years with interest of SONIA plus commercial margin. The second loan has a fixed rate of interest of 2% and is repayable in monthly installments within the next 12 months and is due to be fully repaid by May 2023.

Bank overdrafts are secured by a floating charge over the assets of the firm.

Amounts owed to group undertakings are interest free and repayable on demand.

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

	2023 £000	2022 £000
Bank loans	500	1,750
	<u>500</u>	<u>1,750</u>

SHAKESPEARE MARTINEAU LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

14. Financial instruments

	2023 £000	2022 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	56,860	54,465
Financial liabilities		
Financial liabilities measured at amortised cost	43,974	30,495

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

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors, amounts due to group undertakings and accruals.

15. Provisions for liabilities

	Property provisions £000	Professional indemnity £000	Total £000
At 1 May 2022	2,407	645	3,052
Additions	665	775	1,440
Utilised/released in the year	(1,622)	(455)	(2,077)
At 30 April 2023	1,450	965	2,415

Property provisions relate to dilapidations in line with the LLP's stated accounting policies and any other associated property costs. Dilapidations are provided for and are included in the financial statements at the expected costs associated with bringing the relevant property into an acceptable state. The provisions have not been discounted to present values as the impact on the financial statements is immaterial.

A provision for professional indemnity claims is evaluated each year end based on the likely outcome of potential claims against the LLP. The values provided for are the excess amounts not covered under the LLP's insurance policy.

16. Members' interests

Loans and other debts due to members rank pari passu with unsecured creditors in the events of a winding up.

SHAKESPEARE MARTINEAU LLP**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023****17. Capital commitments**

At 30 April 2023 the LLP had capital commitments as follows:

	2023 £000	2022 £000
Contracted for but not provided in these financial statements	1,936	-
	<u>1,936</u>	<u>-</u>

18. Pension commitments

The entity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £1,540,000 (2022: £1,258,000). Contributions totaling £344,749 (2022: £261,058) were payable to the fund at the balance sheet date and are included in creditors.

19. Commitments under operating leases

The LLP had minimum lease payments under non-cancelable operating leases as set out below:

	2023 £000	2022 £000
Within one year	2,824	2,864
Between 1-5 years	8,091	2,725
Over 5 years	8,110	-
	<u>19,025</u>	<u>5,589</u>

20. Controlling party

Shakespeare Martineau LLP is part of the professional services group owned by Ampa Holdings LLP. Ampa Holdings LLP is a limited liability partnership registered in England and Wales. Ampa Holdings LLP is a corporate member of Shakespeare Martineau LLP and is the controlling party. The registered address of Ampa Holdings LLP is No 1 Colmore Square, Birmingham, United Kingdom, B4 6AA.

The smallest and largest group in which the results of the LLP are consolidated is Ampa Holdings LLP, incorporated in England and Wales. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.