

Limited Liability Partnership
Registration No. OC322935

**Taylor Wessing Limited Liability
Partnership**

Report and Financial Statements

30 April 2015

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Taylor Wessing Limited Liability Partnership

Report and financial statements 2015

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Taylor Wessing Limited Liability Partnership

Members' report

The Board is pleased to present its report to the members of Taylor Wessing Limited Liability Partnership ("Taylor Wessing LLP") and the audited financial statements of the firm for the year ended 30 April 2015.

Firm structure

Taylor Wessing LLP is a limited liability partnership registered in England and Wales.

Taylor Wessing Services Limited is a wholly owned subsidiary and is consolidated into the results of Taylor Wessing LLP for the year ended 30 April 2015. The service company provides administrative and support services to the LLP.

During the year a subsidiary, New Street Solutions Limited, ceased trading and the decision was taken to liquidate the company.

Additionally, during 2014, Taylor Wessing LLP entered into a joint venture with a related company Taylor Wessing Partnerschaftsgesellschaft mbB to establish offices in the United States of America for business development. The joint venture entity, Taylor Wessing (US) Inc., is accounted for within these financial statements on the gross equity method.

A list of members' names is available for inspection at 5 New Street Square, London EC4A 3TW which is also Taylor Wessing LLP's principal place of business and registered office. More information about Taylor Wessing LLP is available on our website, www.taylorwessing.com.

Principal activity and business review

The firm's principal activity is the provision of legal services in the United Kingdom. The results for the year and the financial position at the year end were considered satisfactory by the members.

Details regarding the adoption of the going concern basis can be found in note 1 to the accounts.

Designated members

The designated members who served during the year and currently are:

T G Eyles
J F Robertson
N Shanmuganathan
K P Barnett

Members' drawings and capital policy

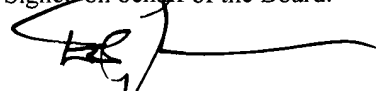
The members' policy on drawings is dependent upon the working capital requirements of the firm. A conservative level of monthly drawings is set at the start of the year and further distributions are made once the results for the year and allocation of profit have been finalised.

The level of members' capital is determined by the members from time to time. Capital is generally repaid to members six months after the year end following cessation of membership of the firm.

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in accordance with the LLP agreement.

Signed on behalf of the Board:



T G Eyles

Managing Partner and Designated Member

17 November 2015

Taylor Wessing Limited Liability Partnership

Statement of members' responsibilities

The members are responsible for preparing the Annual Report and the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP).

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the Group 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the firm will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These responsibilities are exercised by the Board on behalf of the members.

Independent auditor's report to the members of Taylor Wessing Limited Liability Partnership

We have audited the financial statements of Taylor Wessing LLP for the year ended 30 April 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated and LLP Balance Sheets, the Consolidated Cash Flow Statement, and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the 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.

Respective responsibilities of directors and auditor

As explained more fully in the Members' Responsibilities Statement, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent limited liability partnership's affairs as at 30 April 2015 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 as applied to limited liability partnerships.

Independent auditor's report to the members of Taylor Wessing Limited Liability Partnership (Continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent limited liability partnership 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.



Jeremy Black (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
17 November 2015

Taylor Wessing Limited Liability Partnership

Consolidated profit and loss account Year ended 30 April 2015

	Notes	2015 £'000	2014 £'000
Fee income	2		
- Group		117,849	109,872
- Share of joint venture		566	-
		<u>118,415</u>	<u>109,872</u>
Other income		2,803	2,407
Operating expenses	3	<u>(71,196)</u>	<u>(68,158)</u>
Operating profit			
- Group		49,999	44,121
- Share of joint venture		23	-
		<u>50,022</u>	<u>44,121</u>
Net interest income	5	<u>450</u>	<u>327</u>
Profit on ordinary activities before taxation		<u>50,472</u>	<u>44,448</u>
Tax on profit on ordinary activities	7	<u>(403)</u>	<u>(445)</u>
Profit for the financial year before members' remuneration and profit shares		<u>50,069</u>	<u>44,003</u>
Members' remuneration charged as an expense		<u>(11,216)</u>	<u>(10,648)</u>
Retained profit for the financial year available for discretionary division among members	12a	<u><u>38,853</u></u>	<u><u>33,355</u></u>

All amounts relate to continuing operations.

There have been no other recognised gains and losses other than those disclosed above and therefore no statement of total recognised gains or losses has been presented.

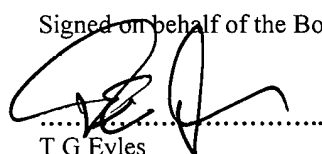
Taylor Wessing Limited Liability Partnership

Consolidated balance sheet 30 April 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Tangible fixed assets	8	8,437	9,436
Investments in joint venture			
- Share of gross assets		115	
- Share of gross liabilities		(102)	
		13	-
Investments	9	442	491
		<u>8,892</u>	<u>9,927</u>
Current assets			
Unbilled revenue		7,397	6,837
Debtors	10	50,882	46,402
Amounts due from members		5,779	5,497
Cash at bank and in hand		11,688	6,275
		<u>75,746</u>	<u>65,011</u>
Creditors: amounts falling due within one year	11	<u>(19,112)</u>	<u>(19,115)</u>
Net current assets		<u>56,634</u>	<u>45,896</u>
Total assets less current liabilities		<u>65,526</u>	<u>55,823</u>
Net assets		<u>65,526</u>	<u>55,823</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability under FRS 25		16,858	16,723
Other amounts		9,815	5,745
Equity			
Members' other interests – other reserves classified as equity under FRS 25		38,853	33,355
		<u>65,526</u>	<u>55,823</u>
Total members' interests			
Amounts due from members		(5,779)	(5,497)
Loans and other debts due to members		26,673	22,468
Members' other interests		38,853	33,355
	12a	<u>59,747</u>	<u>50,326</u>

The financial statements of Taylor Wessing Limited Liability Partnership, registered number OC322935 were approved by the Board of Members on 17 November 2015.

Signed on behalf of the Board of Members


.....
T G Eyles
Managing Partner and
Designated Member


.....
J F Robertson
Designated Member

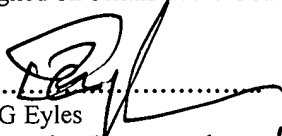
Taylor Wessing Limited Liability Partnership

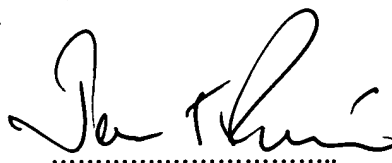
LLP balance sheet 30 April 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Tangible fixed assets	8	8,437	9,436
Investments	9	444	493
		<u>8,881</u>	<u>9,929</u>
Current assets			
Unbilled revenue		7,397	6,837
Debtors	10	50,975	46,404
Amounts due from members		5,779	5,497
Cash at bank and in hand		11,008	5,909
		<u>75,159</u>	<u>64,647</u>
Creditors: amounts falling due within one year	11	<u>(20,118)</u>	<u>(19,411)</u>
Net current assets		<u>55,041</u>	<u>45,236</u>
Total assets less current liabilities		<u>63,922</u>	<u>55,165</u>
Net assets		<u>63,922</u>	<u>55,165</u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability under FRS 25		16,858	16,723
Other amounts		9,157	5,473
Equity			
Members' other interests – other reserves classified as equity under FRS 25		37,907	32,969
		<u>63,922</u>	<u>55,165</u>
Total members' interests			
Amounts due from members		(5,779)	(5,497)
Loans and other debts due to members		26,015	22,196
Members' other interests		37,907	32,969
	12b	<u>58,143</u>	<u>49,668</u>

The financial statements of Taylor Wessing Limited Liability Partnership, registered number OC322935 were approved by the Board of Members on 17 November 2015.

Signed on behalf of the Board of Members


T G Eyles
Managing Partner and
Designated Member


J F Robertson
Designated Member

Taylor Wessing Limited Liability Partnership

Consolidated cash flow statement Year ended 30 April 2015

	Notes	2015 £'000	2014 £'000
Cash flow statement			
Net cash inflow from operating activities	14	47,676	42,997
Returns on investments and servicing of finance	15a	450	327
Capital expenditure and financial investment	15b	(1,662)	(550)
Payment of taxation		(403)	(445)
Transactions with members and former members	15c	(40,648)	(39,040)
Increase in cash in the year		<u>5,413</u>	<u>3,289</u>
Reconciliation of net cash flow to movement in net funds			
Net surplus at beginning of year	16	6,275	2,986
Increase in cash in the year	16	<u>5,413</u>	<u>3,289</u>
Net surplus at end of year	16	<u>11,688</u>	<u>6,275</u>

Taylor Wessing Limited Liability Partnership

Notes to the financial statements

Year ended 30 April 2015

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and in the preparation of the comparative figures.

Basis of accounting and preparation

The financial statements reflect the results for the year ended 30 April 2015. The financial statements consolidate the accounts of Taylor Wessing LLP and its subsidiary undertakings, Taylor Wessing Services Limited and New Street Solutions Limited, drawn up to 30 April 2015. No individual profit and loss account is presented for Taylor Wessing LLP, as permitted by section 400 of the Companies Act 2006. The profit for the year of the LLP is £37,902,000 (2014: £32,969,000)

The financial statements have been prepared under the historical cost convention in accordance with United Kingdom applicable law and accounting standards and the Statement of Recommended Practice, 'Accounting by Limited Liability Partnerships'.

There are no differences between the profit on ordinary activities before taxation and the profit available for division among the members and their historical cost equivalents.

Going concern

The going concern basis has been adopted in preparing the financial statements. Having considered the firm's forecasts and projections, the members are satisfied that the firm has adequate resources to continue in operational existence for the foreseeable future.

Fee income and revenue recognition

Fee income represents the fair value of legal services provided during the year on client assignments. Fair value reflects the amount expected to be recoverable from clients and is based on time spent, expertise and skills provided, and expenses incurred. Fee income is stated net of Value Added Tax.

Legal services provided to clients during the year which, at the balance sheet date, have not been invoiced to clients, have been recognised as fee income in accordance with Financial Reporting Standard 5 'Reporting the substance of transactions': Application Note G 'Revenue Recognition' and the Urgent Issues Task Force Abstract 40 'Revenue recognition and service contracts'.

Fee income recognised in this manner is based on an assessment of the fair value of the services provided by the balance sheet date as a proportion of the total value of the engagement. Provision is made against unbilled amounts on those engagements where the right to receive payments is contingent on factors outside the control of the firm.

Contingent fee income (over and above any agreed minimum fee which is recognised as above) is recognised in the period when the contingent event occurs.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairments. Depreciation is provided on all tangible fixed assets so as to write off the cost, less the estimated residual value, of fixed assets over their estimated useful economic lives, as follows:

Leasehold improvements	over the shorter of ten years and the remaining period of the lease
Furniture	four to ten years on a straight-line basis
Computer equipment	three to ten years on a straight-line basis
Office equipment	three to five years on a straight-line basis

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

1. Accounting policies (continued)

Investments

Fixed asset investments are stated at cost less provision for impairment.

Taylor Wessing LLP's share of the gross assets and liabilities of joint ventures is included in these accounts using the gross equity method.

Taxation

The taxation payable on the profits of the limited liability partnership is the personal liability of the members for the year and therefore not a charge on the partnership. An amount is retained from each member's profit share within Taylor Wessing LLP to cover the member's estimated liability for income tax and social security contributions on their profit share. The consolidated tax charge comprises tax payable in respect of Taylor Wessing Services Ltd.

Foreign currencies

Transactions denominated in currencies other than the reporting currency are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities not denominated in the reporting currency at the balance sheet date are translated at the rates ruling at that date.

Leases

Operating lease rentals are charged to the profit and loss account in equal amounts over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant leases.

Staff pensions

Taylor Wessing LLP operates a defined contribution pension scheme. The firm also had a defined benefit scheme which closed to new entrants on 30 April 1988. All members of the defined benefit scheme have transferred out and there are no further liabilities.

The defined contribution pension scheme is accounted for under UK Financial Reporting Standard 17 'Retirement Benefits' (FRS 17).

The amount charged to the profit and loss account for the defined contribution scheme is the amount payable for the period according to the scheme's rules. Differences between contributions payable in the year and contributions paid are shown as either accruals or prepayments in the balance sheet.

Financial liabilities and equity

Members are required under the terms of the Members' Agreement to provide capital in proportion to the profit sharing points allocated to them. Capital is repayable to members six months after cessation of membership of the LLP and as such is disclosed as a liability.

2. Segmental analysis

All revenue is derived from the provision of legal services in the United Kingdom and accordingly no separate geographical or business segment information is provided.

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

3. Analysis of operating expenses

	Notes	2015 £'000	2014 £'000
Staff costs	4	41,306	41,126
Depreciation	8	2,648	2,642
Impairment of investment	9	49	100
Other operating charges		27,193	24,290
		<u>71,196</u>	<u>68,158</u>
Operating profit is stated after charging:			
- Depreciation on owned assets		2,648	2,642
- Operating lease costs		7,049	7,072
Auditor's remuneration:			
Fees payable to the LLP's auditor for the audit of the LLP's financial statements		59	57
The audit of the LLP's subsidiaries		3	3
Total audit fees		<u>62</u>	<u>60</u>
Other services pursuant to legislation		30	20
Total fees		<u>92</u>	<u>80</u>

4. Staff costs

	2015 No.	2014 No.
The average number of people employed during the year (excluding members) was:		
Fee-earners	269	273
Non fee earning professionals	20	22
Support staff	261	257
	<u>550</u>	<u>552</u>
Staff costs incurred during the year in respect of employees were:		
	£'000	£'000
Salaries (including staff bonus)	33,139	32,574
Social security costs	3,723	3,407
Other pension costs	1,788	1,680
Other costs	2,656	3,465
Total staff costs	<u>41,306</u>	<u>41,126</u>

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

5. Net interest income

	2015 £'000	2014 £'000
Net bank interest income	450	327

6. Members' share of profits

Profits are shared among the members in accordance with agreed profit sharing arrangements after the financial statements have been approved by the members.

	2015 No.	2014 No.
Average number of members	103	102

The highest remuneration of a member for the year was £1,083,037 (2014: £958,245).

7. Taxation on profit on ordinary activities

	2015 £'000	2014 £'000
UK corporation tax at 20.6% (2014: 22.8%)	403	445
Total current taxation on profit on ordinary activities	403	445

The standard rate of tax for the year based on the UK standard rate of corporation tax is 20.6% (2014: 22.8%).

The proportion of the tax payable that is a personal liability of the members is not shown in these financial statements whereas the proportion that is the liability of the group is shown below.

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	50,414	44,449
Less amounts subject to personal taxation	(48,460)	(42,499)
Profits subject to UK corporation tax	1,954	1,950
Tax at the UK corporation tax rate of 20.6% (2014: 22.8%)	403	445

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

8. Tangible fixed assets

	Leasehold improvements £'000	Group and LLP Furniture and equipment £'000	Total £'000
Cost:			
At 1 May 2014	17,950	16,313	34,263
Additions	70	1,579	1,649
At 30 April 2015	18,020	17,892	35,912
Depreciation:			
At 1 May 2014	10,627	14,200	24,827
Charge for the year	1,802	846	2,648
At 30 April 2015	12,429	15,046	27,475
Net book value:			
At 30 April 2015	5,591	2,846	8,437
At 30 April 2014	7,323	2,113	9,436

9. Investments

	LLP £'000	Group £'000
Cost and net book value:		
At 1 May 2014	1,243	1,241
At 30 April 2015	1,243	1,241
Provision for impairment		
At 1 May 2014	(750)	(750)
Written off	(49)	(49)
As at 30 April 2015	(799)	(799)
Net book value:		
As at 30 April 2015	444	442
As at 30 April 2014	493	491

The Group net book value reflects our ongoing investment in Taylor Wessing SCRL, Taylor Wessing Overseas Investments (Dubai) Limited, Carmelite Insurance Limited and TW ShareCo Limited.

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

9. Investments (continued)

The investment relates to shares in the following entities:

Entity	Country of incorporation	Nature of business	Proportion of voting rights and ordinary shares held
Carmelite Services Company	England and Wales	Dormant	100%
Huntsmoor Limited	England and Wales	Dormant	100%
Huntsmoor Nominees Limited	England and Wales	Dormant	100%
Huntsmoor Nominees (Carmelite) Limited	England and Wales	Dormant	100%
Huntsmoor Property Limited	England and Wales	Dormant	100%
Taylor Joynson Garrett Limited	England and Wales	Dormant	100%
Taylor Wessing Pension Trustees Limited	England and Wales	Dormant	100%
TW Trustee Company Limited	England and Wales	Dormant	100%
Carmelite Insurance Limited	Guernsey	Insurance company	100%
TJG Secretaries Limited	England and Wales	Dormant	100%
Taylor Wessing UK Staff Trustee Limited	England and Wales	Dormant	100%
Taylor Wessing Process Service Limited	England and Wales	Dormant	100%
Taylor Wessing (London) Ltd	England and Wales	Dormant	100%
Taylor Wessing Secretaries Limited	England and Wales	Dormant	100%
TW Life Cover Trustee Limited	England and Wales	Dormant	100%
Taylor Wessing SCRL	Belgium	Law firm	49%
New Street Solutions Limited	England and Wales	Document storage services	100%
TW ShareCo Limited	England and Wales	Intermediate holding company	100%
Taylor Wessing Overseas Investments (Dubai) Limited	England and Wales	Intermediate holding company	100%
Taylor Wessing Services Limited	England and Wales	Service company	100%
TW (US) Limited	England and Wales	Intermediate holding company	50%

The subsidiaries listed above, other than Taylor Wessing Services Limited and New Street Solutions Limited, are not consolidated on the grounds of materiality.

10. Debtors

	LLP		Group	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Client debtors	45,120	41,067	45,120	41,081
Other debtors	1,929	1,479	1,810	1,327
Prepayments and accrued income	3,926	3,858	3,952	3,994
	<u>50,975</u>	<u>46,404</u>	<u>50,882</u>	<u>46,402</u>

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

11. Creditors: amounts falling due within one year

	LLP		Group	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Trade creditors	4,894	3,846	4,898	3,969
Amounts due to subsidiary undertakings	4,999	3,419	-	-
Social security and other taxes	2,153	2,349	2,819	2,850
Other creditors	109	97	364	97
Accruals and deferred income	7,963	9,700	11,031	12,199
	<u>20,118</u>	<u>19,411</u>	<u>19,112</u>	<u>19,115</u>

12a. Reconciliation of members' interests

Consolidated

	Members' capital classified as debt under FRS 25 £'000	Loans and other debts due to members £'000	Loans and other debts due from members £'000	Members' other interests £'000	Total members' interests £'000
Members' interests at 1 May 2014	16,723	5,745	(5,497)	33,355	50,326
Profit for the financial year available for discretionary division among members	-	-	-	38,853	38,853
Members remuneration charged as an expense	-	11,216	-	-	11,216
Members' interests after profit for the year	16,723	16,961	(5,497)	72,208	100,395
Division of prior year profits	-	27,858	5,497	(33,355)	-
Distribution of prior year profit	-	(11,979)	-	-	(11,979)
Members remuneration charged as an expense	-	(11,216)	-	-	(11,216)
Drawings on account of current year profits	-	-	(5,779)	-	(5,779)
Tax payments and reserves	-	(11,809)	-	-	(11,809)
Capital introduced	1,608	-	-	-	1,608
Capital repaid	(1,473)	-	-	-	(1,473)
Members' interests at 30 April 2015	<u>16,858</u>	<u>9,815</u>	<u>(5,779)</u>	<u>38,853</u>	<u>59,747</u>

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

12b. Reconciliation of members' interests

Limited Liability Partnership

	Members' capital classified as debt under FRS 25 £'000	Loans and other debts due to members £'000	Loans and other debts due from members £'000	Members' other interests £'000	Total members' interests £'000
Members' interests at 1 May 2014	16,723	5,473	(5,497)	32,969	49,668
Profit for the financial year available for discretionary division among members	-	-	-	37,907	37,907
Members remuneration charged as an expense	-	11,216	-	-	11,216
Members' interests after profit for the year	16,723	16,689	(5,497)	70,876	98,791
Division of prior year profits	-	27,472	5,497	(32,969)	-
Distribution of prior year profit	-	(11,979)	-	-	(11,979)
Members remuneration charged as an expense	-	(11,216)	-	-	(11,216)
Drawings on account of current year profits	-	-	(5,779)	-	(5,779)
Tax payments and reserves	-	(11,809)	-	-	(11,809)
Capital introduced	1,608	-	-	-	1,608
Capital repaid	(1,473)	-	-	-	(1,473)
Amounts to former members	-	-	-	-	-
Members' interests at 30 April 2015	16,858	9,157	(5,779)	37,907	58,143

Members are required under the terms of the Members' Agreement to provide capital in proportion to the profit sharing points allocated to them. The amount per point is assessed annually, with any changes usually being effective on 1 May. Capital is repaid to members six months after cessation of membership of the limited liability partnership and so is presented above in amounts due to members.

The members vote to approve the division of profit accrued after the balance sheet date. As a result, the balance of profit available for division among the members as at 30 April 2015 is included in members' other interests.

Drawings by members on account of profits for the year have been included within amounts due from members. In the event of a winding up, Members' capital shall rank in order of priority subordinate to any bank or other external provider of finance or capital; loans and other debts due to Members rank equally with unsecured creditors; members' other interests rank after unsecured creditors.

Amounts paid to fixed share members are shown as "Members remuneration charged as an expense" on the face of the profit and loss account.

Taylor Wessing Limited Liability Partnership

Notes to the financial statements

Year ended 30 April 2015

13. Obligations under leases and hire purchase contracts

Annual commitments under non-cancellable operating leases are as follows:

Operating leases in respect of land and buildings which expire:

	2015 £'000	2014 £'000
In two to five years	66	66
In over five years	8,882	8,879
	<u>8,948</u>	<u>8,945</u>

14. Reconciliation of operating profit to net cash inflow from operating activities

	2015 £'000	2014 £'000
Operating profit	50,022	44,121
Depreciation and impairment charges	2,697	2,742
Increase in debtors and unbilled revenue	(5,040)	(1,255)
Decrease in creditors	(3)	(2,611)
Net cash inflow from operating activities	<u>47,676</u>	<u>42,997</u>

15. Analysis of cash flows

	2015 £'000	2014 £'000
a) Returns on investments and servicing of finance		
Net interest received	450	327
	<u>450</u>	<u>327</u>
b) Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,649)	(550)
Investment in joint ventures	(13)	-
	<u>(1,662)</u>	<u>(550)</u>
c) Transactions with members and former members		
Drawings and distributions	(29,567)	(31,265)
Members' remuneration charged as an expense	(11,216)	(10,648)
Capital contributions by members	1,608	4,426
Capital repayment to members	(1,473)	(1,553)
	<u>(40,648)</u>	<u>(39,040)</u>

Taylor Wessing Limited Liability Partnership

Notes to the financial statements Year ended 30 April 2015

16. Analysis of changes in net funds

	At 1 May 2014 £'000	Cash flow £'000	At 30 April 2015 £'000
Cash and cash equivalents	6,275	5,413	11,688
Net surplus	6,275	5,413	11,688

17. Staff pension schemes

Defined contribution scheme

The cost of contributions to the firm's scheme included in the profit and loss account for the year was £1,770k (2014: £1,626k). No contributions were outstanding at either year end.

Defined benefit scheme

The defined benefit scheme closed to new entrants on 30 April 1988 and all members have been transferred out. The firm has not made any employer contributions to the scheme in the current or prior year and there are no further liabilities with respect to this scheme.

18. Related parties

Taylor Wessing LLP owns 100% voting rights and ordinary shares of Carmelite Insurance Limited. Taylor Wessing LLP paid £165k (2014: £186k) to Carmelite Insurance Limited in respect of the insurance premium during the year.

Taylor Wessing LLP also owns 100% voting rights and ordinary shares of New Street Solutions Limited. During the year fees totalling £11k (2014: £41k) were charged to New Street Solutions for administration in respect of document storage services. New Street Solutions Limited invoiced £110k (2014: £46k) to Taylor Wessing LLP during this period. At the year end New Street Solutions owed Taylor Wessing LLP £352k (2014: £384k).

The company has taken advantage of the exemption in Financial Reporting Standard 8 Related Party transactions, and not presented details of transactions with Taylor Wessing Services Limited and New Street Solutions Limited.