Registration number: OC325804

PICKERINGS SOLICITORS LLP

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2017

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT

PICKERINGS SOLICITORS LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	S C King S M Albini C Davies S Hatton
Registered office	Etchell House Etchell Court Bonehill Road Tamworth Staffordshire B78 3HQ
Bankers	National Westminster Bank Plc 8 Market Street Tamworth Staffordshire B79 7LS
Accountants	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

PICKERINGS SOLICITORS LLP

(REGISTRATION NUMBER: OC325804)
BALANCE SHEET AS AT 31 MAY 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	3	-	80,331
Current assets			
Debtors	4	-	694,100
Cash and short-term deposits		-	459,381
		-	1,153,481
Creditors: Amounts falling due within one year	5	-	(306,089)
Net current assets		-	847,392
Net assets attributable to members		-	927,723
Represented by:			
Loans and other debts due to members			
Other amounts	6	-	927,723
		-	927,723
Total members' interests			
Loans and other debts due to members		-	927,723
		-	927,723

For the year ending 31 May 2017 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied to limited liability partnerships, relating to small entities.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006, as applied to limited liability partnerships.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime, as applied to limited liability partnerships, and the option not to file the Profit and Loss Account has been taken.

The members acknowledge their responsibilities for complying 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 with respect to accounting records and the preparation of accounts.

The financial statements of Pickerings Solicitors LLP (registered number OC325804) were approved by the Board and authorised for issue on 20/2/2018. They were signed on behalf of the limited liability partnership by:

....
S C King
Designated member

1 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

General information and basis of accounting
The limited liability partnership is incorporated in England & Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of Pickerings Solicitors LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the limited liability partnership operates. Foreign operations are included in accordance with the policies set out below. Monetary amounts in these financial statements are rounded to the nearest Pound.

Judgements
In the application of the LLP's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty
Amounts recoverable on contracts - The process of assessing amounts recoverable on contracts requires various estimates and judgements to be made. Fee earners are required to record time spent on client assignments and this is used as the basis for the amounts recoverable on contracts and work in progress estimates. A year end report of time on all assignments is circulated to fee earners to identify likely recoverable amounts. The carrying amount is £- (2016 - £347,414).

Bad debt provision - Due to the nature of the business, there are high levels of trade receivables at the year end and, therefore, a risk that some of these balances may be irrecoverable. A bad debt review is carried out, where debts are assessed and provided against when the recoverability of these balances is considered to be uncertain. The carrying amount is £- (2016 - £48,388).

Revenue recognition
Fee income represents the fair value of services provided during the year on client assignments. Fair value reflects the amounts expected to be recoverable from clients based on time spent, skills provided and expenses incurred, and exclude VAT. Income is recognised as contract activity progresses and the right to consideration is secured, except where the final outcome cannot be assessed with reasonable certainty.

Income in respect of contingent fee assignments is recognised in the period when the contingent event occurs and collectability of the fee is assured.

Unbilled income on individual client assignments is included as amounts recoverable on contracts within debtors.

1 Accounting policies (continued)

Taxation
The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

Tangible fixed assets
Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	20% of cost per annum
Fixtures & fittings	15% of written down value per annum

Trade debtors
Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the limited liability partnership will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

1 Accounting policies *(continued)*

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the partnership has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

Hire purchase and leasing
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Members' interests
Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

Pensions and other post retirement obligations
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification
All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the limited liability partnership intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1 Accounting policies (continued)

Recognition and Measurement
Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.
With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.
Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Impairment of financial assets
Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the limited liability partnership transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the limited liability partnership, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2 Particulars of employees

The average number of persons employed by the limited liability partnership during the year was 0 (2016 - 39).

3 Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost			
At 1 June 2016	49,704	192,730	242,434
Disposals	(49,704)	(192,730)	(242,434)
At 31 May 2017	-	-	-
Depreciation			
At 1 June 2016	34,393	127,710	162,103
Eliminated on disposals	(34,393)	(127,710)	(162,103)
At 31 May 2017	-	-	-
Net book value			
At 31 May 2017	-	-	-
At 31 May 2016	15,311	65,020	80,331

4 Debtors

	2017 £	2016 £
Trade debtors	-	250,885
Other debtors	-	347,414
Prepayments and accrued income	-	95,801
	-	694,100

5 Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	-	48,182
Other creditors	-	51,809
Accruals and deferred income	-	54,755
Taxation and social security	-	151,343
	-	306,089

6 Analysis of other amounts

	2017	2016
	£	£
Money advanced to the LLP by the members by way of loan	-	260,000
Money owed to members by the LLP in respect of profits	-	667,723
	-	927,723

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

7 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £nil (2016 - £650,743).

8 Transition to FRS 102

The LLP's effective date of transition to FRS102 was 1 June 2015. The latest period presented under previous UK GAAP was the financial statements for the year ended 31 May 2016.

There are no transitional adjustments as a result of adopting FRS 102 for the first time.