

**Capsticks Solicitors LLP**

**Members' Report and Financial Statements  
Year Ended 30 April 2014**

**Registration number OC340360**



# Capsticks Solicitors LLP

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## **Capsticks Solicitors LLP**

### **Partnership Information**

<b>Designated members</b>	Mr P W Brown
	Mr P J Edwards
	Mr C E Lynch
	Mrs A Morley
<b>Registered office</b>	1 St George's Road Wimbledon London SW19 4DR
<b>Auditors</b>	Francis Clark LLP Lowin House Tregolls Road Truro Cornwall TR1 2NA

## **Capsticks Solicitors LLP**

### **Members' Report**

**Year Ended 30 April 2014**

The members present their report and the audited financial statements for the year ended 30 April 2014.

#### **Members' responsibilities**

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Limited Liability Partnerships (LLP) Regulations 2008 made under the Limited Liability Partnerships Act 2000 requires the members to prepare financial statements which give a true and fair view of the state of affairs of the LLP at the end of the financial year and of the profit or loss of the LLP for the period ending on that date. In preparing those financial statements, members are required to:

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

The members are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure the financial statements comply with the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships 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.

#### **Business Review**

##### **Sector Overview**

The backdrop of the legal sector in which the Capsticks Solicitors LLP operates continues to be challenging with a high degree of volatility both on a financial and non-financial level.

The sector has started to report some signs of financial improvement and growth during the last year, predominately in firms more focused on commercial and private client work.

Despite these improvement indicators the legal sector as a whole has continued to experience some significant financial failures of firms and remains challenged by both regulatory matters and legislation in recent years.

## **Capsticks Solicitors LLP**

### **Members' Report**

**Year Ended 30 April 2014**

..... *continued*

#### **Financials - Profit & loss Account**

Turnover for the business has continued to see substantial growth of 16.2% rising to in excess of £37.6million in the year ended 30 April 2014.

The business has achieved this significant growth through a combination of organic and acquisitive actions. Organic growth has been secured through the reputation and experience that Capsticks Solicitors has developed in key sectors and the acquisition of a social housing team has seen the firm establish a south coast based presence.

Gross profit levels during the year to 30 April 2014 have grown to £13.6million compared to the 2013 level of £13.1million. Naturally such growth and expansion in a professional services business has created a short term gross profit margin decline which is reported at 36.0% for the year to 30 April 2014 (2013 40.3%).

During the year the business has also invested significantly in people, I.T and premises to support this period of growth. This medium term investment plan by the business represents a solid strategy for future development which in the short term it has been funded by a reduction in profit before members remuneration which has dropped back to £7.51million (2013 £8.26million).

The members are confident of their strategic plans for the future of the business and of the financial performance of the business during the year ended 30 April 2014.

#### **Financials - Balance sheet**

Overall the balance sheet of the business has again strengthened considerably over the last year. At the 30 April 2014 Members' funds (retained profits and capital funding) had increased 11% on prior year levels to £11.9million.

*Consistent with recent years this growth in members funds reflects a considerable investment by the members in the business ensuring the business has adequate capital funding to manage the growth the business continues to experience.*

The business has also continued to maintain a low level of lock up through its controls and management of accrued income and debtors. Inevitably the expansion of the business has required additional investment in lock up which at the balance sheet date was wholly funded by member funds.

Lock up management remains a major factor that affects the financial stability of law firms. Lock up levels for the business at the 30 April 2014 amounted to 110 days (2013 96 days) which are considerably lower than sector averages reported in national sector surveys.

# Capsticks Solicitors LLP

## Members' Report

Year Ended 30 April 2014

..... continued

### Financials - Cash management

Growth during the year has been funded by both the internal resources of the business and its members through retained profits.

Investment in lock up during the year has been notable and whilst such growth has been broadly in line with turnover, in absolute terms this has been a considerable investment by the members during this period.

Whilst the business has used internal cash reserves to fund this growth it continues to hold a substantial credit balance at 30 April 2014. Compared with sector averages the business maintains an enviably low level of external debt compared to member's funds held.

The combination of a prudent approach to capital funding from the members, control over working capital aspects the business and financial forecasting the business enjoys operating in a financially stable and predictable environment.

### Financial Overview

The members remain confident that the financial results for the year ended 30 April 2014, combined with the firm's reputation in its specialist fields and continued investment in organic growth, provide a strong platform for the continued success of the business.

### Results for the Period and Allocation to Members

	2014
Turnover growth	16%
Profit before members' remuneration and profit shares	£7,513,105

### Policy on members' drawings and the subscription and repayment of capital

Members receive monthly drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set by the Board, and is reviewed regularly taking into account working capital and other investment activities undertaken by the LLP.

The capital requirements of the LLP are determined by the Board and are reviewed regularly. The amount of capital subscribed by each member is determined by their seniority. An allocation of profit equivalent to 1.5% over bank base rate is paid on this capital. On retirement, capital is repaid to members in accordance with the Members' Agreement.

Capsticks Solicitors LLP has partners who are not members of the LLP. The partners are employees of the LLP, their remuneration is charged as staff costs in the Profit and Loss Account.

## Capsticks Solicitors LLP

### Members' Report

Year Ended 30 April 2014

..... continued

#### Disabled employees

The LLP gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the LLP's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

#### Employee involvement

During the period, the policy of providing employees with information about the LLP has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the LLP's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

#### Designated members

The designated members of the LLP during the year were as follows:

- Mr P W Brown
- Mr P J Edwards
- Mr C E Lynch
- Mrs A Morley

#### Disclosure of information to the auditor

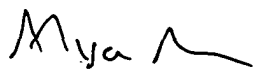
Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The members confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Approved by the members and signed on their behalf by:



Mr P J Edwards  
Designated Member

Date: 14/10/14



Mrs A Morley  
Designated Member

Date: 16/10/14

## **Capsticks Solicitors LLP**

### **Independent Auditors' Report to the Members**

We have audited the financial statements of Capsticks Solicitors LLP for the year ended 30 April 2014, set out on pages 8 to 20. 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 LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships Regulations 2008. Our work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditors' 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 for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of members and auditors**

As explained more fully in the Members' Responsibilities Statement set out on page 2, 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 (APB'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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' 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 the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 April 2014 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.



## Capsticks Solicitors LLP

### Independent Auditors' Report to the Members

..... *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 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.

*Francis Clark LLP*

Andrew Greenwood Allen BSc FCA  
Senior Statutory Auditor

for and on behalf of:  
Francis Clark LLP, Statutory Auditor

Lowin House  
Tregolls Road  
Truro  
Cornwall  
TR1 2NA

Date: *11 October 2014*

## Capsticks Solicitors LLP

### Profit and Loss Account

Year Ended 30 April 2014

	Note	2014 £	2013 £
Turnover	2	37,669,423	32,405,716
Direct costs		(24,116,236)	(19,336,709)
<b>Gross profit</b>		<u>13,553,187</u>	<u>13,069,007</u>
Administrative expenses		(6,002,615)	(4,760,404)
<b>Operating profit</b>	3	<u>7,550,572</u>	<u>8,308,603</u>
Other interest receivable and similar income		58,071	41,945
Interest payable and similar charges	5	(95,538)	(87,984)
<b>Profit for the financial year before members' remuneration and profit shares</b>		<u>7,513,105</u>	<u>8,262,564</u>
Members' remuneration charged as an expense		(7,513,105)	(8,262,564)
<b>Profit for the financial year available for discretionary division among members</b>		<u><u>-</u></u>	<u><u>-</u></u>

Turnover and operating profit derive wholly from continuing operations.

The LLP has no recognised gains or losses for the year other than the results above.

The notes on pages 12 to 20 form an integral part of these financial statements.

# Capsticks Solicitors LLP

## Balance Sheet

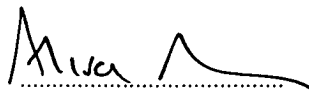
30 April 2014

		2014		2013	
	Note	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	7		617,595		-
Tangible assets	8		<u>3,202,416</u>		<u>3,313,092</u>
			3,820,011		3,313,092
<b>Current assets</b>					
Debtors	9	13,600,249		10,083,123	
Cash at bank and in hand		<u>516,909</u>		<u>3,149,927</u>	
		14,117,158		13,233,050	
<b>Creditors: Amounts falling due within one year</b>	10	<u>(5,633,715)</u>		<u>(3,576,389)</u>	
<b>Net current assets</b>			<u>8,483,443</u>		<u>9,656,661</u>
<b>Total assets less current liabilities</b>			12,303,454		12,969,753
<b>Creditors: Amounts falling due after more than one year</b>	11		-		(2,187,500)
<b>Provisions for liabilities</b>	12		<u>(347,000)</u>		<u>-</u>
<b>Net assets</b>			<u>11,956,454</u>		<u>10,782,253</u>
<b>Represented by:</b>					
<b>Loans and other debts due to members</b>	14		<u>11,956,454</u>		<u>10,782,253</u>

Approved by the members on 16/10/14 and signed on their behalf by:



Mr P J Edwards  
Designated Member



Mrs A Morley  
Designated Member

The notes on pages 12 to 20 form an integral part of these financial statements.

(Registration number: OC340360)

## Capsticks Solicitors LLP

### Reconciliation of Members' Interests

	<b>Loans and Other Debts Due to Members £</b>	<b>2013 £</b>
As at 1 May 2013	10,782,253	9,017,072
Members' remuneration charged as an expense, including employment and retirement benefit costs	<u>7,513,105</u>	<u>8,262,564</u>
Members' interests after profit for the year	18,295,358	17,279,636
Introduced by members	1,139,002	450,000
Drawings	(7,452,906)	(6,947,383)
Other movements	<u>(25,000)</u>	<u>-</u>
As at 30 April 2014	<u><u>11,956,454</u></u>	<u><u>10,782,253</u></u>

The notes on pages 12 to 20 form an integral part of these financial statements.

## Capsticks Solicitors LLP

### Cash Flow Statement

Year Ended 30 April 2014

		2014	2013
	Note	£	£
Net cash flow from operating activities	16	5,356,979	7,555,011
Returns on investment and servicing of finance	17	(37,467)	(46,039)
<b>Capital expenditure and financial investment</b>			
Purchase of intangible fixed assets		(771,994)	-
Purchase of tangible fixed assets		(491,632)	(122,861)
		<u>(1,263,626)</u>	<u>(122,861)</u>
Transactions with members and former members	17	<u>(6,338,904)</u>	<u>(6,497,383)</u>
<b>Cash (outflow)/inflow before management of liquid resources and financing</b>		<u>(2,283,018)</u>	<u>888,728</u>
<b>Financing</b>			
Repayment of loans and borrowings		<u>(350,000)</u>	<u>(350,000)</u>
		<u>(350,000)</u>	<u>(350,000)</u>
<b>(Decrease)/increase in cash</b>		<u><u>(2,633,018)</u></u>	<u><u>538,728</u></u>

### Reconciliation of net cash flow to movement in net debt

		2014	2013
	Note	£	£
(Decrease)/increase in cash in the year	18	(2,633,018)	538,728
Cash outflow from decrease in debt and lease financing		350,000	350,000
Change in net funds resulting from cash flows		<u>(2,283,018)</u>	<u>888,728</u>
Net funds/(debt) at the start of the year	18	<u>612,427</u>	<u>(276,301)</u>
<b>Net (debt)/funds at the end of the year</b>	18	<u><u>(1,670,591)</u></u>	<u><u>612,427</u></u>

The notes on pages 12 to 20 form an integral part of these financial statements.

# Capsticks Solicitors LLP

## Notes to the Financial Statements

Year Ended 30 April 2014

### 1 Accounting policies

#### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in March 2010 (SORP 2010).

#### Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

#### Revenue recognition

Turnover represents the right to consideration earned for the provision of legal services excluding VAT. All turnover derives from activities in the UK.

Services provided to clients during the period which, at the balance sheet date, have not been invoiced to clients, have been recognised in turnover 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'.

Turnover recognised 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. Revenue is not recognised on those engagements where the right to receive payment is contingent on factors outside the control of the LLP. Unbilled revenue is included within debtors.

#### Goodwill

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

#### Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Goodwill	over 5 years
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#### Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Land and buildings	over the term of the lease
Fixtures and fittings	10% straight line basis
Office equipment	20% straight line basis

#### Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

## **Capsticks Solicitors LLP**

### **Notes to the Financial Statements**

**Year Ended 30 April 2014**

*..... continued*

#### **Members' participation rights**

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities as the LLP does not have an unconditional right to refuse payment to members.

Profits are automatically allocated to members. They are therefore shown as "Members' remuneration charged as an expense" in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are included within "loan and other debts due to members" in the Balance Sheet.

All other amounts due to members are classified as liabilities and are presented in the Balance Sheet within 'Loans and other debts due to members'.

#### **Post-retirement payments due to members**

The LLP does not operate a pension scheme for members. On retirement a member is entitled, as from the departure date, to any balances outstanding on their capital and current accounts and their tax provision.

#### **Pensions**

The LLP operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

#### **Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

#### **Insurance arrangements**

Substantial insurance cover in respect of professional negligence claims is carried. Cover is principally written through the commercial market. Where appropriate, provision is made for the expected outcome of the claims.

#### **Taxation**

The taxation payable during the year on the profits of the LLP is the personal liability of the members and consequently neither taxation nor related deferred taxation are accounted for in the financial statements. Amounts retained for the members' personal tax liabilities are treated in the same way as other profits of the LLP and are included in 'Members Interests' or in 'Loans and other debts due to members' depending on whether or not an allocation of profit has occurred.

**Capsticks Solicitors LLP**  
Notes to the Financial Statements  
Year Ended 30 April 2014

..... continued

**2 Turnover**

An analysis of turnover by segment is given below:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Fees receivable	35,742,031	31,053,779
Charges for seminars	47,920	67,858
	<u>35,789,951</u>	<u>31,121,637</u>
Other sales income	1,879,472	1,284,079
Turnover	<u>37,669,423</u>	<u>32,405,716</u>

**3 Operating profit**

Operating profit is stated after charging:

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Hire of plant and machinery - operating leases	25,998	18,210
Hire of other assets - operating leases	1,200,997	1,048,539
Audit fees	14,500	12,000
Auditors' remuneration - non audit services	57,495	45,616
Depreciation of owned assets	602,308	562,960
Amortisation	<u>154,399</u>	<u>-</u>



## Capsticks Solicitors LLP

### Notes to the Financial Statements

Year Ended 30 April 2014

..... continued

#### 4 Particulars of employees

The average number of persons employed by the LLP (including members) during the year, analysed by category, was as follows:

	2014 No.	2013 No.
Fee earners	287	222
Administrative staff	87	81
	<u>374</u>	<u>303</u>

The aggregate payroll costs of these persons were as follows:

	2014 £	2013 £
Wages and salaries	16,674,235	13,393,212
Social security costs	1,774,236	1,399,883
Other pension costs	1,092,073	626,035
	<u>19,540,544</u>	<u>15,419,130</u>

#### 5 Interest payable and similar charges

	2014 £	2013 £
Interest on bank borrowings	86,422	84,626
Other interest payable	9,116	3,358
	<u>95,538</u>	<u>87,984</u>

#### 6 Information in relation to members

	2014	2013
Average number of members during the year	<u>20</u>	<u>19</u>

# Capsticks Solicitors LLP

## Notes to the Financial Statements

Year Ended 30 April 2014

..... continued

	£	£
Profit (including remuneration) attributable to the member with the largest entitlement to profits	480,173	571,162

### 7 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
Additions	771,994
<b>Amortisation</b>	
Charge for the year	154,399
<b>Net book value</b>	
As at 30 April 2014	617,595

### 8 Tangible fixed assets

	Short leasehold land and buildings £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost</b>				
As at 1 May 2013	2,844,897	1,519,398	1,266,635	5,630,930
Additions	178,001	100,651	212,980	491,632
As at 30 April 2014	3,022,898	1,620,049	1,479,615	6,122,562
<b>Depreciation</b>				
As at 1 May 2013	758,340	598,134	961,364	2,317,838
Charge for the year	259,310	157,202	185,796	602,308
As at 30 April 2014	1,017,650	755,336	1,147,160	2,920,146
<b>Net book value</b>				
As at 30 April 2014	2,005,248	864,713	332,455	3,202,416
As at 30 April 2013	2,086,557	921,264	305,271	3,313,092

# Capsticks Solicitors LLP

## Notes to the Financial Statements

Year Ended 30 April 2014

..... continued

### 9 Debtors

	2014	2013
	£	£
Trade debtors	7,094,269	5,907,617
Other debtors	73,481	92,949
Prepayments and accrued income	6,432,499	4,082,557
	<u>13,600,249</u>	<u>10,083,123</u>

### 10 Creditors: Amounts falling due within one year

	2014	2013
	£	£
Bank loans and overdrafts	2,187,500	350,000
Trade creditors	1,608,667	1,483,981
Social security and other taxes	1,079,875	815,564
Other creditors	86,273	58,375
Accruals and deferred income	671,400	868,469
	<u>5,633,715</u>	<u>3,576,389</u>

### 11 Creditors: Amounts falling due after more than one year

	2014	2013
	£	£
Bank loans and overdrafts	<u>-</u>	<u>2,187,500</u>

### 12 Provisions for liabilities

	Other provision
	£
As at 1 May 2013	-
Dilapidations provision movement	<u>347,000</u>
As at 30 April 2014	<u>347,000</u>

Dilapidation obligations exist under certain lease agreements. The financial statements include a dilapidation provision of £347,000 in relation to the obligations arising under these leases.

## Capsticks Solicitors LLP

### Notes to the Financial Statements

Year Ended 30 April 2014

..... continued

#### 13 Operating lease commitments

As at 30 April 2014 the LLP had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Land and Buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Within one year	-	-	6,000	-
Within two and five years	-	-	-	6,000
Over five years	1,579,740	1,177,105	-	-
	<u>1,579,740</u>	<u>1,177,105</u>	<u>6,000</u>	<u>6,000</u>

#### 14 Loans and other debts due to members

	2014	2013
	£	£
Loans from members	7,634,002	6,450,000
Amounts owed to members in respect of profits	4,322,452	4,332,253
	<u>11,956,454</u>	<u>10,782,253</u>

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.

#### 15 Pension scheme

##### Defined contribution pension scheme

The LLP operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the LLP to the scheme and amounted to £1,092,073 (2013 - £626,035).

# Capsticks Solicitors LLP

## Notes to the Financial Statements

Year Ended 30 April 2014

..... continued

### 16 Reconciliation of operating profit to operating cash flows

	2014	2013
	£	£
Operating profit	7,550,572	8,308,603
Depreciation, amortisation and impairment charges	756,707	562,960
Increase in debtors	(3,517,126)	(1,200,874)
Increase/(decrease) in creditors	219,826	(115,678)
Increase in provisions	347,000	-
<b>Net cash inflow from operating activities</b>	<b>5,356,979</b>	<b>7,555,011</b>

### 17 Analysis of cash flows

	2014	2013
	£	£
<b>Returns on investment and servicing of finance</b>		
Other interest paid	(95,538)	(87,984)
Interest received	58,071	41,945
	<u>(37,467)</u>	<u>(46,039)</u>
<b>Transactions with members and former members</b>		
Payments to members	(7,477,906)	(6,947,383)
Contributions by members	1,139,002	450,000
	<u>(6,338,904)</u>	<u>(6,497,383)</u>

### 18 Analysis of net (debt)/funds

	At start of period	Cash flow	Other non-cash changes	At end of period
	£	£	£	£
Cash at bank and in hand	3,149,927	(2,633,018)	-	516,909
Debt due within one year	(350,000)	350,000	(2,187,500)	(2,187,500)
Debt due after one year	(2,187,500)	-	2,187,500	-
Change in debt	<u>(2,537,500)</u>	<u>350,000</u>	<u>-</u>	<u>(2,187,500)</u>
<b>Net (debt)/funds</b>	<b>612,427</b>	<b>(2,283,018)</b>	<b>-</b>	<b>(1,670,591)</b>

## **Capsticks Solicitors LLP**

### **Notes to the Financial Statements**

**Year Ended 30 April 2014**

*..... continued*

#### **19 Related parties**

##### **Controlling entity**

The LLP was under the control of the members throughout the current and previous period.