

Howard Kennedy LLP
Registered number: OC361417

Annual Report and Financial Statements
For the year ended 30 April 2023



Howard Kennedy LLP

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Howard Kennedy LLP

Information

Designated members

C A Emden
A J Reeback
E A Palmer
S O Taylor
J A Stewart

LLP registered number

OC361417

Registered office

No.1 London Bridge, London, SE1 9BG

Independent auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

Howard Kennedy LLP
Members' Report
For the year ended 30 April 2023

The members present their annual report together with the audited financial statements of Howard Kennedy LLP (the LLP and the group) for the year ended 30 April 2023.

Principal Activities

The principal activity of the LLP and the group is the provision of legal services in the UK.

Review of Business, Future Developments and Risks

The LLP's strategy is to deliver sustainable revenue growth in its key sectors and go to market groups while maintaining appropriate levels of profitability.

The results for the year are set out on page 10. The members regard the results and the future prospects for the firm to be positive.

The UK economy experienced low growth and double digit levels of inflation in the year. Global events further dented investor confidence and salary inflation continued in the legal sector. In spite of these challenges, the firm delivered revenue growth while at the same time investing in technology, ESG and its internal talent base.

The LLP's balance sheet remains strong as a result of prudent cash management against a backdrop of UK recessionary pressures. The firm ended the year with an overdraft of £0.1m (2022: cash of £5.1 million).

The macro economic environment will continue to present challenges in the coming year but the legal sector remains robust. The firm is in a strong position to deliver enhanced revenues and profitability supported by strong management alongside a clear vision and strategy. We remain confident that the firm is well placed to deal with the challenges and take advantage of the opportunities that will arise in the foreseeable future.

Designated Members

The following individuals were designated members during the year and up to the date of signing these financial statements:

C A Emden
A J Reeback
E A Palmer
J P Hindmarsh (resigned 1 August 2023)
S O Taylor
J A Stewart (appointed 1 August 2023)

Members' Capital

The level of members' capital is determined by the members from time to time. Capital is repaid to members over a period of time on cessation of membership from the Limited Liability Partnership.

Members' Drawings

The LLP operates a drawings policy which has regard to a cautious estimate of budgeted profits. Drawings are restricted to prudent levels, taking into account working capital performance. With the consent of the members, the LLP retains a provision for tax from their profit share which is paid to HM Revenue and Customs on their behalf.

Members' Remuneration

The Firm's members comprise Full Equity Partners and Fixed Share Partners.

The Fixed Share Partners are due the first charge on net profit for any accounting period and have subscribed to the LLP's capital during the period. The Full Equity Partners participate in the LLP's profit, share the risk and subscribe to the LLP's capital. The Full Equity Partners' profit sharing ratios are set and agreed at the beginning of each year as such is recorded as loans and other debts due to members at the year end.

Howard Kennedy LLP
Members' Report
For the year ended 30 April 2023 (continued)

Auditor

The current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the partnership's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office.

This report was approved by the members on *30 November 2023* and signed on their behalf by:



C A Emden
Designated member



A J Reeback
Designated member

Howard Kennedy LLP

Members' Responsibilities Statement

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

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations 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 these regulations 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 Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership 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; and
- 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 Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership and enable them to ensure that the financial statements comply with 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 Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Howard Kennedy LLP
Streamlined Energy and Carbon Report
For the year ended 30 April 2023

Since appointing its first Responsible Business Manager and establishing its first ever Environment Committee last year, the LLP has begun the process of embarking on its carbon reduction programme. Although at the very early stages of the programme, consideration is currently being given as to whether the LLP can halve its emissions by 2030. A carbon reduction timeline is currently being worked on to determine whether this goal can be realised.

Our Environment Committee continues to champion environmental awareness and responsibility across the firm. Environmentally friendly initiatives and achievements include: sourcing 100% of the electricity used to power the LLP's offices from suppliers that are Renewable Energy Guarantees of Origin (REGO) certified; teaming up with and beginning to use cargo bicycle couriers for all London deliveries rather than motorbikes and vans and reducing paper consumption by 17% despite seeing 29 more employees on average this year.

The LLP promoted environmental awareness more widely by partnering with award-winning environmental organisation, Hubbub, to give personnel the opportunity to get involved in local green initiatives such as climbing aboard one of the world's first 99% recycled boats to help clean up the river Thames.

The LLP remains a member of the Legal Sustainability Alliance (LSA), a network group of likeminded law firms that understand they have a responsibility for protecting the environment and reducing their carbon emissions. In addition, the LLP continues to hold the ISO 14001:2015 accreditation for its Environmental Management System.

Set out below is the energy consumption and emissions data for the LLP and the group:

Types of emission	Total kWh		Tonnes of CO2e	
	2023	2022	2023	2022
Scope 1 - Direct (Gas emission and owned transport)	690,754	769,395	124.3	140.9
Scope 2 - Indirect (Purchased electricity and heat)	1,055,502	1,046,760	204.1	222.3
Scope 3 - Indirect (Business travel)			1.2	0.5
Total	1,746,256	1,816,155	329.6	363.7

Intensity metrics for the LLP and the group:

	2023	2022
Tonnes of tCO2e per employee	1.0	1.2
Tonnes of tCO2e per total £m turnover	5.4	6.1


Methodology:

The above data is based on information obtained from the firm's managing agents, meter readings and mileage claim records. In the absence of any information on car size, the CO2e calculation relating to fuel for the purposes of transport contains the assumption that all travel was in a medium sized car. The conversion factors used to calculate emissions for Scope 1, 2 and 3 have been obtained from the 2022 edition of 'UK Government GHG Conversion Factors for Company Reporting'.

A list of members of the LLP is available online at Companies House.

This report was approved by the members on **30 November 2023** and signed on their behalf by:


C A Emden
 Designated member


A J Reeback
 Designated member

Howard Kennedy LLP

Independent Auditor's Report to the Members of Howard Kennedy LLP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and the Limited Liability Partnership's affairs as at 30 April 2023 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 by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of Howard Kennedy LLP ("the Limited Liability Partnership or LLP") and its subsidiaries ("the Group") for the year ended 30 April 2023 which comprise the consolidated statement of comprehensive income and retained earnings, the consolidated balance sheet, the reconciliation of members' interest, the consolidated statement of cash flows, the LLP balance sheet and notes to the financial statements, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Group's or Limited Liability Partnership'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 Members are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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.

Howard Kennedy LLP

Independent Auditor's Report to the Members of Howard Kennedy LLP (continued)

Other information (continued)

We have nothing to report in this regard.

Other Companies Act 2006 reporting as applied to limited liability partnerships

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, 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 Group's and the Limited Liability Partnership'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 Group and the Limited Liability Partnership or to cease operations, or have no realistic alternative but to do so.

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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining an understanding of the Group's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Companies Act 2006, UK tax legislation, applicable accounting standards and other laws and regulations that may have a material effect on the financial statements including the permissions and supervisory requirements of the Financial Conduct Authority ('FCA').

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We assessed the impact of such laws and regulations during our audit.

Howard Kennedy LLP

Independent Auditor's Report to the Members of Howard Kennedy LLP (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

Non-compliance with laws and regulations (continued)

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be Management override of control, cut off relating to timesheet data and the recoverability of accrued income.

Our procedures in respect of the above included:

- testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- assessing whether the judgements made in making accounting estimates are indicative of potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- On a sample basis, we assessed the recoverability of the accrued income recognised by reference to post year end recovery and agreement to underlying contractually agreed rates/timesheet data. For any outstanding amounts, the audit team robustly challenged the expectation of recovery of these amounts with management; and
- We obtained the late timesheet report and tested this to underlying data to confirm revenue had been accurately recognised around the year end period.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Howard Kennedy LLP

Independent Auditor's Report to the Members of Howard Kennedy LLP (continued)

Use of our report

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 by Limited Liability Partnerships (Accounts and Audit) (Application of the 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 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.

DocuSigned by:

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Stuart Godfrey (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 30 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Howard Kennedy LLP**Consolidated Statement of Comprehensive Income and Retained Earnings****For the year ended 30 April 2023**

	Notes	2023 £	2022 £
Turnover	3	61,491,267	60,074,914
Operating expenses		(49,078,722)	(42,145,275)
Other operating income		71,298	57,769
Operating profit	4	12,483,843	17,987,408
Other interest receivable and similar income	7	3,366,904	374,584
Interest payable and similar charges	7	(114,690)	(79,775)
Profit on ordinary activities before taxation		15,736,057	18,282,217
Taxation on profit on ordinary activities	8	(237,819)	(204,646)
Profit for the financial year before members' remuneration and profit shares		15,498,238	18,077,571
Members' remuneration charged as an expense		(15,498,238)	(18,077,571)
Profit for the financial year available for discretionary division among members		-	-
Retained profits at 1 May and 30 April		-	-

All amounts relate to continuing activities.

The notes on pages 15 to 25 form part of these financial statements.

Howard Kennedy LLP
Registered number: OC361417
Consolidated Balance Sheet
As at 30 April 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	9		2,404,127		2,228,115
Tangible assets	10		2,414,045		2,777,706
Investments	11		47,605		47,605
			<u>4,865,777</u>		<u>5,053,426</u>
Current assets					
Debtors	12	32,715,930		28,416,658	
Cash at bank		189,328		5,135,127	
		<u>32,905,258</u>		<u>33,551,785</u>	
Creditors: amounts falling due within one year	13	<u>(15,471,521)</u>		<u>(14,132,314)</u>	
Net current assets			<u>17,433,737</u>		<u>19,419,471</u>
Total assets less current liabilities			<u>22,299,514</u>		<u>24,472,897</u>
Creditors: amounts falling due after more than one year	14		<u>(721,652)</u>		<u>(1,662,116)</u>
Provisions for liabilities	16		<u>(1,653,079)</u>		<u>(1,265,386)</u>
Net assets attributable to members			<u>19,924,783</u>		<u>21,545,395</u>
Represented by:					
Loans and amounts due to members within one year					
Members' capital classified as a liability		9,555,000		9,306,250	
Other amounts		<u>10,369,783</u>		<u>12,239,145</u>	
			<u>19,924,783</u>		<u>21,545,395</u>
Total members' interests					
Amounts due from members (included in debtors)	12		<u>(2,346)</u>		-
Loans and other debts due to members			<u>19,924,783</u>		<u>21,545,395</u>
			<u>19,922,437</u>		<u>21,545,395</u>

The financial statements were approved by the members and authorised for issue on **30 November 2023**


C A Emden
Designated member


A J Reeback
Designated member

The notes on pages 15 to 25 form part of these financial statements.

Howard Kennedy LLP
Reconciliation of Members' Interests
For the year ended 30 April 2023

Group

	Members' capital £	Loans and other debts due to and from members £	Total £
Balance at 1 May 2021	9,080,000	13,985,855	23,065,855
Members' remuneration charged as an expense	-	18,077,571	18,077,571
Members' interests after profit for the year	9,080,000	32,063,426	41,143,426
Capital introduced	1,476,250	-	1,476,250
Repayment of capital	(1,250,000)	-	(1,250,000)
Transfer to former members	-	(1,636,908)	(1,636,908)
Drawings	-	(18,187,373)	(18,187,373)
Balance at 1 May 2022	9,306,250	12,239,145	21,545,395
Members' remuneration charged as an expense	-	15,498,238	15,498,238
Members' interests after profit for the year	9,306,250	27,737,383	37,043,633
Capital introduced	1,011,250	-	1,011,250
Repayment of capital	(762,500)	-	(762,500)
Transfer to former members	-	(1,039,622)	(1,039,622)
Drawings	-	(16,327,978)	(16,327,978)
Balance at 30 April 2023	9,555,000	10,369,783	19,924,783

LLP

	Members' capital £	Loans and other debts due to and from members £	Total £
Balance at 1 May 2021	9,090,000	13,708,217	22,798,217
Members' remuneration charged as an expense	-	17,573,330	17,573,330
Members' interests after profit for the year	9,090,000	31,281,547	40,371,547
Capital introduced	1,476,250	-	1,476,250
Repayment of capital	(1,250,000)	-	(1,250,000)
Transfer to former members	-	(1,636,908)	(1,636,908)
Drawings	-	(17,919,736)	(17,919,736)
Balance at 1 May 2022	9,316,250	11,724,903	21,041,153
Members' remuneration charged as an expense	-	14,910,770	14,910,770
Members' interests after profit for the year	9,316,250	26,635,673	35,951,923
Capital introduced	1,011,250	-	1,011,250
Repayment of capital	(762,500)	-	(762,500)
Transfer to former members	-	(1,039,622)	(1,039,622)
Drawings	-	(15,852,311)	(15,852,311)
Balance at 30 April 2023	9,565,000	9,743,740	19,308,740

The notes on pages 15 to 25 form part of these financial statements.

Howard Kennedy LLP

Consolidated Statement of Cash Flows For the year ended 30 April 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Profit for the financial year before members' remuneration and profit shares		15,498,238	18,077,571
Adjustments for:			
Depreciation of tangible fixed assets	10	743,629	764,799
Amortisation of intangible assets	9	577,886	601,100
Net interest receivable	7	(3,252,214)	(294,809)
Taxation expense	8	237,819	204,646
Changes in working capital:			
Increase in trade and other debtors		(4,296,926)	(3,932,212)
Increase/(decrease) in creditors		769,979	(2,696,922)
(Decrease)/increase in amounts owed to former members		(268,972)	333,275
Increase/(decrease) in provisions		387,693	(86,353)
Cash flows from operations		10,397,132	12,971,095
Taxation paid		(229,521)	(197,944)
Members' drawings in relation to remuneration		(17,369,946)	(19,824,281)
Net cash used in operating activities		(7,202,335)	(7,051,130)
Cash flows from investing activities			
Purchase of intangible assets	9	(501,998)	(433,318)
Business acquisition, net of cash	18	(251,900)	-
Purchase of tangible fixed assets	10	(379,968)	(700,728)
Net interest received	7	3,366,904	374,584
Net cash generated from/(used in) investing activities		2,233,038	(759,462)
Cash flows from financing activities			
Capital element of finance lease rentals under one year	13	30,354	43,013
Capital element of finance lease rentals due after more than one year	14	(195,031)	(5,405)
Capital introduced by members		1,011,250	1,476,250
Capital repaid to members		(762,500)	(1,250,000)
Interest paid	7	(114,690)	(79,775)
New bank loans		2,607,253	4,413,880
Bank loans repaid		(2,899,376)	(2,870,775)
New other loans		500,000	1,250,000
Other loans repaid		(484,244)	(901,930)
Net cash (used in)/generated from financing activities		(306,984)	2,075,258
Net decrease in cash and cash equivalents		(5,276,281)	(5,735,334)
Cash and cash equivalents at beginning of year		5,135,127	10,870,461
Cash and cash equivalents at end of year		(141,154)	5,135,127
Cash and cash equivalents comprise:			
Cash at bank and in hand		189,328	5,135,127
Bank overdraft	13	(330,482)	-
		(141,154)	5,135,127

The notes on pages 15 to 25 form part of these financial statements.

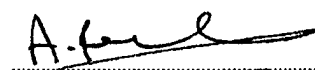
Howard Kennedy LLP
Registered number: OC361417
LLP Balance Sheet
As at 30 April 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Intangible assets	9		2,404,127		2,228,115
Tangible assets	10		2,414,045		2,777,706
Investments	11		57,605		57,605
			<u>4,875,777</u>		<u>5,063,426</u>
Current assets					
Debtors	12	32,667,364		28,379,640	
Cash at bank		94,252		4,954,210	
		<u>32,761,616</u>		<u>33,333,850</u>	
Creditors: amounts falling due within one year	13	(15,953,922)		(14,428,621)	
Net current assets			<u>16,807,694</u>		<u>18,905,229</u>
Total assets less current liabilities			<u>21,683,471</u>		<u>23,968,655</u>
Creditors: amounts falling due after more than one year	14		(721,652)		(1,662,116)
Provisions for liabilities	16		(1,653,079)		(1,265,386)
Net assets attributable to members			<u>19,308,740</u>		<u>21,041,153</u>
Represented by:					
Loans and amounts due to members within one year					
Members' capital classified as a liability		9,565,000		9,316,250	
Other amounts		9,743,740		11,724,903	
			<u>19,308,740</u>		<u>21,041,153</u>
Total members' interests					
Amounts due from members (included in debtors)	12		(2,346)		-
Loans and other debts due to members			<u>19,308,740</u>		<u>21,041,153</u>
			<u>19,306,394</u>		<u>21,041,153</u>

The LLP has taken advantage of the exemption contained within section 408 of the Companies Act 2006 as applied to LLPs and has not presented its own statement of comprehensive income in these financial statements. The LLP's profit before members remuneration for the year was £14,910,770 (2022: £17,573,330).

The financial statements were approved by the members and authorised for issue on **30 November 2023**


C A Emden
 Designated member


A J Reeback
 Designated member

The notes on pages 15 to 25 form part of these financial statements.

Howard Kennedy LLP
Notes to the Financial Statements
For the year ended 30 April 2023

1. Accounting Policies

Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland, including the Statement of Recommended Practice (2021), 'Accounting by Limited Liability Partnerships'. The address of the registered office is given on the Information page and the nature of the Group's operations and its principal activities are set out in the Members' Report.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 2).

These financial statements are presented in Pounds Sterling (£) which is the functional and presentational currency of the Group.

Qualifying Entity-Parent Company

In preparing the separate financial statements of the parent LLP, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no cash flow statement has been presented for the parent LLP;
- disclosures in respect of the parent LLP's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent LLP as their remuneration is included in the total for the group as a whole.

Basis of Consolidation

The consolidated financial statements present the results of Howard Kennedy LLP and its subsidiaries ("the Group") as if they formed a single entity. Intergroup transactions and balances between group companies are therefore eliminated in full.

Going Concern

In assessing whether the going concern basis is appropriate, the members take into account all the available information about the foreseeable future which is at least 12 months from the date of signing the financial statements.

The financial statements have been prepared on a going concern basis. When assessing going concern, the members considered the macro economic pressures in the UK caused by salary inflation and higher interest rates and their impact on activity levels, the firm's cost base and short term liquidity. Cash flow forecasts have been prepared to cover a period of at least 12 months from the date of approval of the financial statements under both normal and stress tested trading conditions, confirming that the LLP will be able to operate within its existing overdraft facility. The LLP's bank has confirmed its intention to continue to make the overdraft facility available for at least 12 months from the date of signing the financial statements.

Turnover

Turnover represents amounts recoverable from clients for professional services provided during the year. It is measured at the fair value of consideration received or receivable on each client assignment, including expenses and disbursements but excluding Value Added Tax. Turnover is recognised when earned and when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed.

Unbilled revenue is included within debtors as "Amounts recoverable on contracts".

Revenue is only recognised where the amount of revenue can be measured reliably and it is probable that the economic benefits will be received. When this cannot be estimated reliably, revenue is only recognised to the extent of the expenses recognised that are recoverable. Revenue is recognised based on the stage of completion once there is certainty over the extent that allows revenue to be recognised.

Other Interest Receivable and Similar Income

Interest receivable relates to bank interest income received during the period as well as interest accruing on short and medium term deposits at the period end.

Howard Kennedy LLP
Notes to the Financial Statements (continued)
For the year ended 30 April 2023

1. Accounting policies (continued)

Intangible Assets

Intangible assets are recognised from the development phase of a project once it has been determined that the assets will generate probable future economic benefits and that their costs can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their expected useful economic lives, which range from 3 to 10 years.

The expected useful economic life of projects is estimated after having considered their associated business plan and, in the case of software, the length of time the software is supported through licencing and maintenance agreements. Amortisation charges are reported within operating expenses in the Statement of Comprehensive Income and Retained Earnings.

All assets are reviewed annually for impairment.

All research related expenditure shall be recognised as an expense when it is incurred. If it is not possible to distinguish between the research phase and the development phase of an internal project the expenditure is treated as if it were all incurred in the research phase only.

Tangible Fixed Assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. 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.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold improvements	- over the lease term
Office and computer equipment	- 3 years straight line
Furniture, fixtures and fittings	- 6-10 years straight line

All depreciation charges are reported within operating expenses in the Consolidated Statement of Comprehensive Income and Retained Earnings.

Investments

Long term investments are classified as fixed assets.

Fixed assets investments are stated at cost less accumulated impairment in the Group balance sheet. Other investments listed on a recognised stock exchange are valued at market value at each balance sheet date. Gains and measurements are recognised in the profit or loss for the period. Other investments also includes the LLP's investment in its subsidiaries.

Cash and Cash Equivalents

Cash and cash equivalents include cash at bank and in hand and deposits with financial institutions which are subject to an insignificant risk of change in value.

Members' Remuneration

The Firm's members comprise Full Equity Partners and Fixed Share Partners.

The Fixed Share Partners are due the first charge on net profit for any accounting period and have subscribed to the LLP's capital during the period. The Full Equity Partners participate in the LLP's profit, share the risk and subscribe to the LLP's capital. The Full Equity Partners' profit sharing ratios are set and agreed at the beginning of each year as such is recorded as loans and other debts due to members at the year end.

Howard Kennedy LLP
Notes to the Financial Statements (continued)
For the year ended 30 April 2023

1. Accounting policies (continued)

Members' Drawings

The LLP operates a drawings policy which has regard to a cautious estimate of budgeted profits. Drawings are restricted to prudent levels, taking into account working capital performance. With the consent of the members, the LLP retains a provision for tax from their profit share which is paid to HM Revenue and Customs on their behalf.

Current and Deferred Taxation

Taxation on a members' share of the LLP's profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements. The tax within these consolidated financial statements relates to the corporate subsidiary within the group.

Tax is recognised in the profit and loss account. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the United Kingdom.

Leases

When a lease entails taking substantially all the risks and rewards of ownership of an asset it is treated as a finance lease. The asset is recorded as a tangible fixed asset at its fair value and depreciated over its estimated useful life, or the term of the lease, whichever is shorter. Future instalments under such leases, net of finance charges, are included within creditors. Rental payments are apportioned between the interest element, which is charged to the profit and loss account, and the capital element, which reduces the outstanding obligation for future instalments.

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the term of the lease.

Retirement Benefits

The Group operates various group personal pension schemes. The amount charged to the profit and loss account in respect of pension costs is the contributions payable for the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Provisions

Professional Indemnity Insurance

Provisions are made on a case-by-case basis in respect of the cost of defending claims and, where appropriate, the estimated cost of settling claims where such costs are not covered by insurance. Outstanding claims are reviewed each year and adjustments to provisions are made as appropriate in the current year.

In common with comparable businesses, the Group is involved in a number of disputes in the ordinary course of business which may give rise to claims. The Group carries professional indemnity insurance and no separate disclosure is made of the cost of claims covered by insurance as to do so could seriously prejudice the position of the Group.

Financial Assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost, less any impairment.

Financial Liabilities and Equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

2. Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In preparing these financial statements, the members have made the following judgements:

- Determining the outcome of on-going cases against the firm and any provisions to be made in relation to these with reference to the insurance held by the firm.

Other key sources of estimation uncertainty are listed below:

Bad Debt Provision

The LLP has recognised provisions in relation to the impairment of debtors. Provisions are based on management's best estimate of the recoverability by reference to the credit status of the debtor. The judgement involvement in the estimation is based on the latest information available to the LLP.

Unbilled Revenue and Accrued Income

The LLP has recognised accrued income based on management's best estimate of the value and recoverability of unbilled revenue. This estimate is performed with reference to the status of the client and progression through each individual engagement.

Accounting for Business Combinations

During the year the LLP acquired the assets of law firm, Corbett & Co International Construction Lawyers Limited. The LLP is required to pay an earn out percentage over a three year period as part of the acquisition cost. The earn out has not been included in management's determination of deferred consideration because the year one impact is immaterial and future revenues in respect of years two and three cannot be reliably measured.

Further details of estimates and judgements are set out in the related notes to the financial statements. The estimates and judgements are based on historical experience and other factors, including expectations of future events that are believed to be reasonable and constitute management's best judgement at the date of the financial statements. In the future, actual outcomes may differ from those estimates.

3. Turnover

Turnover is wholly attributable to the principal activity of the group.

All turnover arose within the United Kingdom.

4. Operating profit

	2023	2022
	£	£
The operating profit is stated after charging:		
Depreciation of tangible fixed assets:		
owned by the group	493,993	518,451
held under finance leases	249,636	246,348
Amortisation of intangible assets	577,886	601,100
Operating lease rentals:		
other operating leases	2,899,236	2,928,638
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	67,500	57,890
Fees payable to the LLP's auditor for other services:		
The audit of the LLP's subsidiaries pursuant to legislation	15,800	14,510
Other services supplied pursuant to legislation	28,500	26,000
Taxation compliance services	43,100	38,500
All other services	14,015	3,567

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

5. Employees

	2023	2022
Staff costs consist of:	£	£
Wages and salaries	21,942,012	19,088,170
Social security costs	2,605,097	2,165,497
Other pension costs	1,146,251	973,733
	<u>25,693,360</u>	<u>22,227,400</u>

The average monthly number of persons employed during the year was as follows:

	2023 Number	2022 Number
Fee earners	192	175
Non fee earners	152	140
	<u>344</u>	<u>315</u>

6. Members' remuneration

	2023 Number	2022 Number
Group average number of members during the year	55	56
	£	£
Group profit attributable to the member with the largest entitlement	<u>769,524</u>	<u>1,069,996</u>

The LLP divides profits in accordance with the Members' Agreement. The first charge on net profit is payable to Fixed Share Partners. Remaining profits are allocated to Full Equity Partners in profit sharing ratios prevailing at that time.

7. Interest receivable and payable

Interest receivable and similar income

	2023 £	2022 £
Bank interest receivable	<u>3,366,904</u>	<u>374,584</u>

Interest payable and similar charges

	2023 £	2022 £
Interest payable on bank loans	<u>114,690</u>	<u>79,775</u>

Net interest

	2023 £	2022 £
Net interest receivable	<u>3,252,214</u>	<u>294,809</u>

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

8. Taxation

	2023	2022
	£	£
UK corporation tax charge on profits for the year	<u>237,819</u>	<u>204,646</u>

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2023	2022
	£	£
Profit on ordinary activities before tax	<u>15,736,057</u>	<u>18,282,217</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2022 - 19%)	3,934,014	3,473,621
Effects of:		
Tax effect of profits not taxed in corporate entity	<u>(3,696,195)</u>	<u>(3,268,975)</u>
Total tax charge for the year	<u>237,819</u>	<u>204,646</u>

9. Intangible assets

Group and LLP	Goodwill	Computer software	Total
		£	£
Cost or valuation			
At 1 May 2022	-	4,183,025	4,183,025
Additions	251,900	501,998	753,898
Disposals	-	(127,619)	(127,619)
At 30 April 2023	<u>251,900</u>	<u>4,557,404</u>	<u>4,809,304</u>
Amortisation			
At 1 May 2022	-	1,954,910	1,954,910
Amortisation for the year	-	577,886	577,886
Disposals	-	(127,619)	(127,619)
At 30 April 2023	<u>-</u>	<u>2,405,177</u>	<u>2,405,177</u>
Net book value			
At 30 April 2023	<u>251,900</u>	<u>2,152,227</u>	<u>2,404,127</u>
At 30 April 2022	<u>-</u>	<u>2,228,115</u>	<u>2,228,115</u>

Goodwill has been recognised following the acquisition of the assets of law firm, Corbett & Co International Construction Lawyers Limited on 13 March 2023. Note 18 of the financial statements provides further detail about the acquisition.

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

10. Tangible fixed assets

Group and LLP	Leasehold improvements	Office and computer equipment	Furniture, fixtures and fittings	Total
	£	£	£	£
Cost or valuation				
At 1 May 2022	3,971,144	2,902,266	861,349	7,734,759
Additions	91,116	288,852	-	379,968
Disposals	-	(185,907)	-	(185,907)
At 30 April 2023	<u>4,062,260</u>	<u>3,005,211</u>	<u>861,349</u>	<u>7,928,820</u>
Depreciation				
At 1 May 2022	2,286,999	2,092,350	577,704	4,957,053
Charge for the year	336,993	320,809	85,827	743,629
Disposals	-	(185,907)	-	(185,907)
At 30 April 2023	<u>2,623,992</u>	<u>2,227,252</u>	<u>663,531</u>	<u>5,514,775</u>
Net book value				
At 30 April 2023	<u>1,438,268</u>	<u>777,959</u>	<u>197,818</u>	<u>2,414,045</u>
At 30 April 2022	<u>1,684,145</u>	<u>809,916</u>	<u>283,645</u>	<u>2,777,706</u>

The net book value of assets held under finance leases or hire purchase contracts included above is as follows:

	2023	2022
	£	£
Group and LLP		
Office equipment	<u>691,648</u>	<u>824,759</u>

11. Fixed asset investments

Group	Other investments
	£
Cost or valuation	
At 1 May 2022 and 30 April 2023	<u>47,605</u>

Other investments are shares in AIM listed companies which have been measured at fair value.

LLP	Investment in subsidiary	Other investments	Total
	£	£	£
Cost or valuation			
At 1 May 2022	10,000	47,605	57,605
At 30 April 2023	<u>10,000</u>	<u>47,605</u>	<u>57,605</u>
Net book value			
At 30 April 2023	<u>10,000</u>	<u>47,605</u>	<u>57,605</u>
At 30 April 2022	<u>10,000</u>	<u>47,605</u>	<u>57,605</u>

Other investments are shares in AIM listed companies which have been measured at fair value.

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

11. Fixed asset investments (continued)

At 30 April 2023 the LLP had direct interest in the following subsidiaries:

Company Name	Country	Percentage Shareholding	Nature of Business
Howard Kennedy Corporate Services LLP	England	100%	Sponsor registered with UKLA of the FCA
Howard Kennedy Services Limited	England	100%	Service company to LLP
Howard Kennedy Private Limited (In liquidation)	England	100%	Advisory and lifestyle management services to private clients
HK Nominees Limited	England	100%	Non-trading
HK Registrars Limited	England	100%	Non-trading
Filex Nominees Limited	England	100%	Non-trading
Filex Services Limited	England	100%	Non-trading

The registered office of those subsidiaries held out as "Active" on Companies House is No.1 London Bridge, London, SE1 9BG.

12. Debtors

	Group		LLP	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	21,473,846	17,672,464	21,426,598	17,636,206
Other debtors	974,715	664,846	975,879	664,596
Prepayments and accrued income	2,117,175	1,833,592	2,117,175	1,833,592
Amounts recoverable on contracts	8,147,848	8,245,756	8,145,366	8,245,246
Amounts due from members	2,346	-	2,346	-
	32,715,930	28,416,658	32,667,364	28,379,640

All debtors are repayable on demand.

13. Creditors: Amounts falling due within one year

	Group		LLP	
	2023	2022	2023	2022
	£	£	£	£
Bank loans and overdrafts	2,862,838	2,682,105	2,862,838	2,682,105
Other loans	1,103,059	484,244	1,103,059	484,244
Net obligations under finance leases and hire purchase contracts	272,952	242,598	272,952	242,598
Trade creditors	3,985,621	2,919,128	3,985,183	2,918,193
Amounts owed to group undertakings	-	-	2,531,797	2,303,532
Amounts owed to former members	126,732	395,704	126,732	395,704
Corporation tax	225,000	216,702	-	-
Other taxation and social security	1,801,667	1,901,656	827,048	1,052,809
Other creditors	1,693,297	1,807,155	1,692,127	1,807,155
Accruals and deferred income	3,400,355	3,483,022	2,552,186	2,542,281
	15,471,521	14,132,314	15,953,922	14,428,621

The bank overdraft is repayable on demand and is secured by fixed and floating charges over the LLP's assets.

Obligations under finance leases are secured against the assets to which they relate.

Included within creditors are outstanding pension contributions of £203,251 (2022: £167,690).

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

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

	Group		LLP	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	-	142,375	-	142,375
Other loans	500,000	1,103,058	500,000	1,103,058
Net obligations under finance leases and hire purchase contracts	221,652	416,683	221,652	416,683
	721,652	1,662,116	721,652	1,662,116

The maturity of all the sources of debt finance is as follows:

Loans and overdrafts

Within one year	3,965,897	3,166,349	3,965,897	3,166,349
Later than one year and not later than 5 years	500,000	1,245,433	500,000	1,245,433
	4,465,897	4,411,782	4,465,897	4,411,782

Finance leases

Within one year	272,952	242,598	272,952	242,598
Later than one year and not later than 5 years	221,652	416,683	221,652	416,683
	494,604	659,281	494,604	659,281

At 30 April 2023, bank borrowings comprise two term loans. The carrying amounts of the loans at the balance sheet date are £2,389,982 (2022: £Nil) and £142,375 (2022: £711,875). The loans are repayable in 2023 and 2024. The two loans accrue interest at a fixed rate of 2.77% and 2.69% respectively. The Group fully repaid a 12 month fixed rate term loan during the year (2022: £2,112,605). Interest charges incurred on the borrowings are calculated using the effective interest rate method. All bank borrowings are repayable in instalments.

Other loans includes loans relating to members who left during the year which amount to £1,550,000 (2022: £1,450,000). The loans accrue interest at a variable rate equivalent to LIBOR plus 1.65% and are repayable over the period to March 2025. Also included in other loans is a term loan of £53,058 (2022: £123,803) which relates to the financing of IT software and hardware. A fixed interest rate of 1.72% applies to the loan and the loan is repayable in 2023. During the year the Group fully repaid an interest free term loan that was used to finance IT support and maintenance (2022: £13,499).

Obligations under finance leases are secured against the assets to which they relate.

15. Financial instruments

The Group's financial instruments are analysed as follows:

	Group	
	2023	2022
	£	£
Financial assets		
Financial assets measured at fair value through profit or loss	47,605	47,605
Financial assets that are debt instruments measured at amortised cost	30,788,083	31,718,194
Financial liabilities		
Financial liabilities measured at amortised cost	23,721,505	22,982,323

Financial assets measured at fair value through profit or loss comprise fixed asset investments in AIM listed company shares.

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, amounts recoverable on contracts and amounts due from members.

Financial liabilities measured at amortised cost comprise bank loans, other loans, net obligations under finance leases, trade creditors, other creditors, deferred income, members' capital classified as a liability, amounts due to former members and certain accruals.

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

16. Provisions for liabilities

	Group and LLP
	PII Provision
	£
At 1 May 2022	1,265,386
Utilised	(426,925)
Charged	814,618
At 30 April 2023	<u>1,653,079</u>

PII Claims

In common with comparable professional practices, the Group is involved in a number of disputes in the ordinary course of business which may give rise to claims. The Group carries professional indemnity insurance (PII) and where a claim is agreed with the insurance company on notification, the liability for the claim amount above the excess is taken on by the insurance firm. Provision representing the cost of defending and concluding claims that fall within the Group's insurance excess is made in the financial statements for all claims where costs are likely to be incurred and can be measured reliably. No separate disclosure is made of the detail of claims or the costs covered by insurance as to do so could seriously prejudice the position of the Group.

17. Commitments under operating leases

At 30 April 2023 the group had annual commitments under non-cancellable operating leases as follows:

	Group and LLP	
	Land and buildings	
	2023	2022
	£	£
Not later than one year	3,300,000	3,300,000
Later than one year and not later than 5 years	13,200,000	13,200,000
Later than 5 years	<u>3,779,178</u>	<u>7,079,178</u>
	<u>20,279,178</u>	<u>23,579,178</u>

18. Business combinations during the year

On 13 March 2023, Howard Kennedy LLP acquired the assets of law firm, Corbett & Co International Construction Lawyers Limited (Corbett & Co). Howard Kennedy LLP employed five people and appointed three partners. The useful life of goodwill on acquisition is 10 years.

The acquisition has been accounted for under the acquisition method. The fair value of the net assets of Corbett & Co have been assessed and considered to be the same as their book value. The following table sets out the fair values of acquired assets along with any goodwill and consideration paid.

Fixed assets

	£
Tangible assets	<u>18,100</u>
Net assets acquired	18,100
Goodwill on acquisition	<u>251,900</u>
	<u>270,000</u>

Satisfied by

Cash consideration payable to Corbett & Co	150,000
Transaction costs of acquisition	<u>120,000</u>
	<u>270,000</u>

Howard Kennedy LLP
Notes to the financial statements (continued)
For the year ended 30 April 2023

19. Related party disclosures

The LLP does not have a parent undertaking. The ultimate controlling party of the group is considered to be the members in aggregate.

The Group has taken advantage of the exemption contained in Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions between the LLP and its subsidiaries on the grounds that all subsidiaries are wholly owned.

Key management personnel include all designated members and a number of senior members and senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total profit share and compensation paid to key management personnel for services provided to the group was £3,745,878 (2022 - £4,302,369).

20. Reconciliation of movement in net debt

	At 1 May 2022	Arising from cash flows	Other non-cash changes	At 30 April 2023
	£	£	£	£
Net cash at bank including bank overdraft	5,135,127	(5,276,281)	-	(141,154)
Bank loans due within one year	(2,682,105)	292,123	(472,856)	(2,862,838)
Bank loans due after more than one year	(142,375)	-	142,375	-
Finance leases	(659,281)	164,677	-	(494,604)
Net debt (before members' debt)	1,651,366	(4,819,481)	(330,481)	(3,498,596)
<i>Loans and other debts due to members</i>				
Members' capital classified as a liability	(9,306,250)	(248,750)	-	(9,555,000)
Other amounts due to members	(12,239,145)	17,367,600	(15,498,238)	(10,369,783)
Net debt	(21,545,395)	17,118,850	(15,498,238)	(19,924,783)

There are no restrictions over the use of cash and cash equivalents.

21. Post balance sheet events

There are no post balance sheet events for the year ended 30 April 2023, nor in the comparative period.