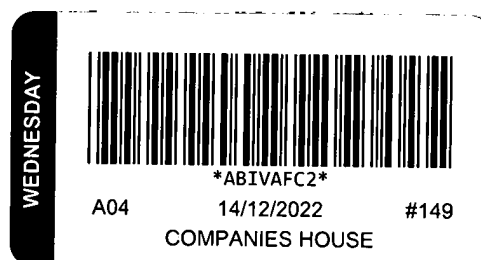


FIELD SEYMOUR PARKES LLP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

Registered Number OC370344



FIELD SEYMOUR PARKES LLP
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2022

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FIELD SEYMOUR PARKES LLP
DESIGNATED MEMBERS AND ADVISERS
YEAR ENDED 31 MARCH 2022

Designated members	I M Wood-Smith D J Bickford J C A Burgess R T Crowther W R Dixon M P Francis P S Garden M J Mann I E Machray J G Parkes
Business address	1 London Street Reading Berkshire RG1 4PN
Registered office	1 London Street Reading Berkshire RG1 4PN
Auditor	RSM UK Audit LLP Chartered Accountants Davidson House Forbury Square Reading Berkshire RG1 3EU

FIELD SEYMOUR PARKES LLP
THE MEMBERS' REPORT
YEAR ENDED 31 MARCH 2022

The members present their report together with the audited financial statements of Field Seymour Parkes LLP (the "LLP") for the year ended 31 March 2022.

Principal activity

The principal activity of the LLP during the year was the provision of legal services.

Designated members

The following were designated members during the year:

I M Wood-Smith
J C A Burgess (Resigned 31st March 2022)
D J Bickford
W R Dixon
R T Crowther
M P Francis
P S Garden
M J Mann
I E Machray
J G Parkes

Policy with respect to members' drawings and subscription and repayments of amounts subscribed or otherwise contributed by members

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members may be invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members. On retirement, capital is repaid to members save for an amount totalling £1,444,239 (2021: £266,186) which is only repayable in accordance with specific conditions as defined within the Limited Liability Partnership agreement dated 21st September 2021.

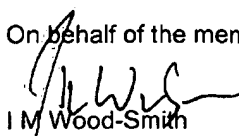
Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the LLP's auditor is unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the LLP's auditor is aware of that information.

On behalf of the members


I M Wood-Smith
Designated member

Approved by the members on 12th December 2022.

FIELD SEYMOUR PARKES LLP

MEMBERS' RESPONSIBILITIES

YEAR ENDED 31 MARCH 2022

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

Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under the 2008 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 partnership and of the profit or loss of the partnership for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

Under the 2008 Regulations the members are responsible for keeping adequate accounting records that are sufficient to show and explain the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the partnership and to enable them to ensure that the financial statements comply with the requirements of those Regulations. They are also responsible for safeguarding the assets of the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FIELD SEYMOUR PARKES LLP
YEAR ENDED 31 MARCH 2022**

Opinion

We have audited the financial statements of Field Seymour Parkes LLP (the 'limited liability partnership') for the year ended 31 March 2022 which comprise the income statement, statement of financial position, reconciliation of members' interests, statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FIELD SEYMOUR PARKES LLP
YEAR ENDED 31 MARCH 2022**

Matters on which we are required to report by exception

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

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

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 3, 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 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 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FIELD SEYMOUR PARKES LLP
YEAR ENDED 31 MARCH 2022**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the limited liability partnership operates in and how the limited liability partnership is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and the LLP SORP 2018. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to The Solicitors Authority Regulation. We performed audit procedures to inquire of management and those charged with governance whether the LLP is in compliance with these law and regulations, inspected correspondence with the licensing and regulatory authority and reviewed the most recent AR1 Accountants Report form.

The audit engagement team identified the risk of management override of controls and the valuation of amounts recoverable on contract (WIP) and the associated risk of fraud in revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business. In respect of WIP valuation and the associated risk of fraud in revenue we reviewed the method and basis of valuation, including assessing inputs into the calculation, challenged management concerning the judgements and estimates applied in the valuation of WIP and reviewed post year end information to support the carrying value and recoverability of WIP at the year end.

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
FIELD SEYMOUR PARKES LLP
YEAR ENDED 31 MARCH 2022**

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 to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mayulee Pinkerton

MAYULEE PINKERTON CA (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Davidson House

Forbury Square

Reading

Berkshire

RG1 3EU

12/12/22

FIELD SEYMOUR PARKES LLP
INCOME STATEMENT
YEAR ENDED 31 MARCH 2022

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Turnover	2	10,760,788	9,606,002
Administrative expenses		(8,173,710)	(7,219,630)
Other operating income	3	-	156,013
Operating profit	3	2,587,078	2,542,385
Interest payable and similar charges	5	(101,573)	(91,370)
Profit for the financial year before members' remuneration and profit shares		2,485,505	2,451,015
Members' remuneration charged as an expense		(2,485,505)	(2,451,015)
Result for the financial year available for discretionary division among members		-	-

The LLP's turnover and expenses all relate to continuing operations.

The notes on pages 12 to 24 form part of these financial statements.

FIELD SEYMOUR PARKES LLP
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

		31 March 2022		31 March 2021	
	Note	£	£	£	£
Fixed assets					
Intangible assets	6		559,278		393,969
Tangible assets	7		3,740,326		4,073,700
Current assets					
Amounts recoverable under contracts	8	1,150,308		1,067,278	
Debtors	9	1,812,190		1,770,158	
Cash at bank		<u>1,687,637</u>		<u>1,732,664</u>	
		4,650,136		4,570,100	
Creditors: Amounts falling due within one year	10	<u>(1,394,415)</u>		<u>(3,800,567)</u>	
Net current assets			<u>3,255,720</u>		<u>769,533</u>
Total assets less current liabilities			7,555,324		5,237,202
Creditors: Amounts falling due after more than one year	11		<u>(2,820,932)</u>		<u>(109,530)</u>
Net assets attributable to members			<u>4,734,392</u>		<u>5,127,672</u>
Represented by:					
Loans and other debts due to members					
Other amounts	15		3,290,153		4,861,486
Equity					
Members' other interests – members' capital	15		<u>1,444,239</u>		<u>266,186</u>
			<u>4,734,392</u>		<u>5,127,672</u>
Total members' interests					
Loans and other debts due to members	15		3,290,153		4,861,486
Members' other interests	15		<u>1,444,239</u>		<u>266,186</u>
			<u>4,734,392</u>		<u>5,127,672</u>

The financial statements on pages 8 to 24 were approved by the members and authorised for issue on 12th December 2022 and are signed on their behalf by:


J G Parkes

Designated member

The notes on pages 12 to 24 form part of these financial statements.

FIELD SEYMOUR PARKES LLP
RECONCILIATION OF MEMBERS' INTERESTS
31 MARCH 2022

	Members' capital (classified as equity) £	Loans and other debts due to members £	Total £
Balance at 1 April 2020	266,186	4,273,180	4,539,366
Year ended 31 March 2020:			
Members' remuneration charged as an expense	-	2,451,015	2,451,015
Members' interests after profit for the year	266,186	6,574,471	6,840,657
Drawings	-	(1,030,859)	(1,030,859)
Members' taxation payments	-	(831,850)	(831,850)
Balance at 31 March 2021	<u>266,186</u>	<u>4,861,486</u>	<u>5,127,672</u>
Year ended 31 March 2022:			
Members' remuneration charged as an expense	-	2,485,505	2,485,505
Members' interests after profit for the year	266,186	7,346,991	7,613,177
Drawings	-	(1,785,144)	(1,785,144)
Members' taxation payments	-	(986,433)	(986,433)
Members loans reclassified as capital	968,112	(968,112)	-
Former members interests reclassified as capital	209,941	-	209,941
Repayment of members' capital balances	-	(317,149)	(317,149)
Balance at 31 March 2022	<u>1,444,239</u>	<u>3,290,153</u>	<u>4,734,392</u>

The notes on pages 12 to 24 form part of these financial statements.

FIELD SEYMOUR PARKES LLP
STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2022

	Note	Year ended 31 March 2022 £	Year ended 31 March 2021 £
Net cash inflow from operating activities	17	2,683,904	2,800,470
INVESTING ACTIVITIES			
Transactions with non-members			
Payments to acquire intangible fixed assets		(213,464)	(133,722)
Payments to acquire tangible fixed assets		<u>(12,285)</u>	<u>(6,801)</u>
Net cash used in investing activities		(225,749)	(140,523)
FINANCING ACTIVITIES			
Transactions with members or former members			
Payments to members		(2,771,577)	(1,862,709)
Repayment of capital to members		(317,149)	-
Repayment of loans to former members		<u>(23,351)</u>	<u>(16,613)</u>
Net cash used in transactions with members		<u>(3,112,077)</u>	<u>(1,879,322)</u>
Financing activities with non-members			
Repayment of bank loans		(2,362,260)	(175,241)
Receipt of new bank loan		3,000,000	-
Inception of new finance leases		213,464	167,102
Repayment of finance leases		(140,736)	(115,824)
Payment of interest		<u>(101,573)</u>	<u>(91,370)</u>
Net cash used in transactions with non-members financing		<u>608,895</u>	<u>(215,333)</u>
Net increase/(decrease) in cash and cash equivalents	17	<u>(45,027)</u>	<u>565,292</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,732,664	1,167,372
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>1,687,637</u>	<u>1,732,664</u>

The notes on pages 12 to 24 form part of these financial statements.

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

General information

Field Seymour Parkes LLP has prepared financial statements covering the individual entity's results for the year to 31 March 2022. Field Seymour Parkes LLP has presented its financial statements in sterling, rounded to the nearest whole pound.

Field Seymour Parkes LLP is a Limited Liability Partnership and is incorporated in England & Wales. The address of Field Seymour Parkes LLP's registered office is presented on page 1 of these financial statements under Designated Members and Advisers. The LLP's principal activities are disclosed in the Members' Report on page 2.

Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and The Statement of Recommended Practice 'Accounting for Limited Liability Partnerships' (issued December 2018).

Going concern

The LLP has adequate cash resources, and access to bank facilities as required, for its trading activities. The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

The members have taken measures to counter the potential impact of COVID-19 on the operations of the LLP and the resultant impact on its financial position. Whilst the risks cannot be completely mitigated and therefore some level of future uncertainty remains, the members have reviewed detailed forecasts and consider that the LLP is able to continue meeting its liabilities as they fall due in the foreseeable future which is considered to be a period of 12 months from the date of approving the financial statements. In particular the members have considered the forecast level of cash held by the LLP and consider that a sufficient level of cash shall be held for the LLP to meet its liabilities even with downside scenarios included of the expected level of future fees and collection of cash. On this basis, the members consider it appropriate to prepare these financial statements on the going concern basis.

Fees earned

The fees earned shown in the Income Statement represents amounts receivable for services provided during the year in the normal course of business, exclusive of Value Added Tax.

Income is recognised when the LLP has performed services in accordance with the agreement with the relevant client and has obtained a right to consideration for those services. Where such income has not been billed at the Statement of Financial Position date, it is included within amounts recoverable under contracts.

Tangible Fixed assets

Fixed assets are stated at historic cost less depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of an asset over the useful economic life of that asset as follows:

Freehold Land	- Nil
Freehold buildings	- 15 years
Fixtures & Fittings	- 4%-15% straight line
Equipment	- 20%-33% straight line

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (*continued*)

No depreciation is provided on freehold land as, in the opinion of the designated members, the land has a high residual value and the charge and accumulated provision would be immaterial to the carrying value of the freehold land and would not influence the decisions of a user of the financial statements.

Intangible fixed assets other than goodwill

Intangible fixed assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following basis:

Software	20% straight line
----------	-------------------

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Amounts recoverable under contracts

Amounts recoverable under contracts represent work done at the year-end where a continuing right to receive income exists and is valued at the estimated amount recoverable in excess of fees already rendered under account.

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the Members' Agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (*continued*)

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

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Income Statement in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Statement of Financial Position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Income Statement and are equity appropriations in the Statement of Financial Position.

Other amounts applied to members, for example interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the Statement of Financial Position within 'Loans and other debts due to members' and are charged to the Income Statement within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the Statement of Financial Position within 'Members' other interests'.

Retirement benefits and post retirement payments to members

Following the retirement of a Designated Member, so long as the partnership continues in business and subject to qualifying conditions, the partnership shall pay an annuity to the retired Designated Member in the year following their leaving date and the following two years unless otherwise agreed.

The LLP operates defined contribution pension schemes and the pension charge represents the amounts payable by the LLP to these funds in respect of the year. The assets of the schemes are held separately from those of the LLP in independently administered funds.

Interest

Interest receivable is stated as the gross amount received in the year, less any proportion paid to clients during the year.

Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recorded as part of the cost of stock or are capitalised as an intangible fixed asset or tangible fixed asset.

Employees unused but accrued holiday entitlements are treated as a cost in the period in which the employee's services are received.

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (*continued*)

Financial Instruments

The partnership has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues" of FRS 102, in full, to all of its financial instruments.

Financial assets

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amount settled and any impairment losses.

Where the arrangement with a trade debtor constitutes a financing transaction, the debtor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debt over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Bank overdrafts

Bank overdrafts are presented within creditors: amounts falling due within one year.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs and subsequently measured at amortised cost using the effective interest rate method. Interest expense is recognised on the basis of the effective interest method and is included in the interest payable and other similar charges.

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies (*continued*)

Taxation

The taxation payable on the partnership profits is solely the personal liability of the individual members consequently neither partnership taxation nor related deferred taxation arising in respect of the partnership are accounted for in these financial statements.

Areas of judgement and accounting estimates

The LLP makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year are discussed below.

Amounts recoverable under contracts

The valuation of amounts recoverable under contracts requires the exercise of judgement in assessing the recoverable value of the costs, predominately time costs, incurred on a particular engagement. These estimates have been prepared on a consistent basis and reviewed for overall recoverability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

In the year ended 31 March 2021, the LLP received a discretionary cash grant of £156,013 from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working at the employer). The grant is conditional upon the employees being employed and on the LLP PAYE payroll and the employee cannot do any work for the their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant and the LLP has received no other forms of government assistance.

No such grants were received during the current year.

2. Fees earned

The fees earned and profit for the year before members' remuneration and profit shares is attributable to the one principal activity of the limited liability partnership.

An analysis of fees earned is given below:

	Year ended 31 Mar 22 £	Year ended 31 Mar 21 £
Provision of legal services:		
United Kingdom	<u>10,760,788</u>	<u>9,606,002</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

3. Operating profit

	Year ended 31 Mar 22 £	Year ended 31 Mar 21 £
Operating profit is stated after crediting:		
CJRS grant received	-	156,013
Operating profit is stated after charging:		
Depreciation of owned tangible fixed assets	345,660	170,939
Depreciation of owned intangible fixed assets	48,155	33,261
Auditor's remuneration		
- as auditor	22,500	17,750
- other services	9,275	8,820
Fees paid to associates of the auditor		
- tax advisory	6,900	6,350
Operating lease costs		
- plant & machinery	12,597	44,472

4. Employee information

The aggregate payroll costs were:

	Year ended 31 Mar 22 £	Year ended 31 Mar 21 £
Wages and salaries	4,496,726	4,179,313
Social security costs	528,079	459,689
Pension costs	431,379	367,463
	<u>5,456,184</u>	<u>5,006,465</u>

The average number of persons, including members with contracts of employment, employed by the limited liability partnership during the year was as follows:

	Year ended 31 Mar 22 No.	Year ended 31 Mar 21 No.
Fee earners (including trainees)	61	61
Administrative staff	39	37
	<u>100</u>	<u>98</u>

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

4. Employee information (continued)

Members' remuneration

	Year ended 31 Mar 22 £	Year ended 31 Mar 21 £
Highest paid member's remuneration	<u>270,481</u>	<u>280,955</u>
Average members' remuneration	<u>225,331</u>	<u>222,753</u>

In addition to the designated members there were 2 (2021: 2) other members of the LLP. The LLP divides profit according to the signed Members' Agreement, whereby profits are allocated according to Members' accounts and salaries, and any remaining profits are allocated in the profit sharing ratios prevailing at the time.

The key decision makers for the LLP are considered to be the Members and their remuneration is set out below.

Members' remuneration charged as an expense, which is deducted after arriving at 'Profit for the financial year before members' remuneration and profit share' includes:

	Year ended 31 Mar 22 £	Year ended 31 Mar 21 £
Mandatory interest payments	18,190	16,485
Automatic division of profits	<u>2,467,315</u>	<u>2,434,530</u>
	<u>2,485,505</u>	<u>2,451,015</u>

5. Interest payable and similar charges

	Year ended 31 Mar 22 £	Year ended 31 Mar 21 £
Other interest and similar charges	<u>101,573</u>	<u>91,370</u>

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NOTES TO THE FINANCIAL STATEMENTS
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6. Intangible fixed assets

	Computer software £	Total £
Cost		
At 1 April 2021	433,439	433,439
Additions	<u>213,464</u>	<u>213,463</u>
At 31 March 2022	<u>646,903</u>	<u>646,903</u>
Depreciation		
At 1 April 2021	39,470	39,470
Charge for the year	<u>48,155</u>	<u>48,155</u>
At 31 March 2022	<u>87,625</u>	<u>87,625</u>
Net book value		
At 31 March 2022	<u>559,278</u>	<u>559,278</u>
At 31 March 2021	<u>393,969</u>	<u>393,969</u>

The net carrying value of intangible fixed assets includes the following in respect of assets held under finance leases:

	31 Mar 22 £	31 Mar 21 £
Computer software	<u>499,128</u>	<u>322,071</u>

The depreciation charge in respect of such assets amounted to £16,803 (2021: £16,838) for the year.

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NOTES TO THE FINANCIAL STATEMENTS
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7. Tangible fixed assets

	Freehold Property £	Freehold Buildings £	Fixtures & Fittings £	Equipment £	Total £
Cost					
At 1 April 2021	2,659,811	-	1,887,661	517,819	5,065,290
Reclassification	(2,218,416)	2,218,416	-	-	-
Additions	-	-	-	12,285	12,285
At 31 March 2022	<u>441,395</u>	<u>2,218,416</u>	<u>1,887,661</u>	<u>530,103</u>	<u>5,077,576</u>
Depreciation					
At 1 April 2021	-	-	518,880	472,710	991,590
Charge for the year	-	144,197	158,340	43,123	345,660
At 31 March 2022	<u>-</u>	<u>144,197</u>	<u>677,220</u>	<u>515,833</u>	<u>1,337,250</u>
Net book value					
At 31 March 2022	<u>441,395</u>	<u>2,074,219</u>	<u>1,210,441</u>	<u>14,271</u>	<u>3,740,326</u>
At 31 March 2021	<u>2,659,811</u>	<u>-</u>	<u>1,368,781</u>	<u>45,108</u>	<u>4,073,700</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases.

	31 Mar 22 £	31 Mar 21 £
Fixtures & fittings	<u>-</u>	<u>54,517</u>

The depreciation charge in respect of such assets amounted to £54,517 (2021: £58,225) for the year.

8. Amounts recoverable under contracts

	31 Mar 22 £	31 Mar 21 £
Amounts recoverable under contracts	<u>1,150,308</u>	<u>1,067,278</u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Debtors

	31 Mar 22 £	31 Mar 21 £
Trade debtors	1,260,940	1,339,804
Other debtors	2,264	3,000
Prepayments and accrued income	<u>548,986</u>	<u>427,354</u>
	<u>1,812,190</u>	<u>1,770,158</u>

10. Creditors: Amounts falling due within one year

	31 Mar 22 £	31 Mar 21 £
Bank loans	200,000	2,212,260
Obligations under finance lease	170,776	159,450
PAYE and social security	190,782	200,604
VAT	453,563	440,698
Other creditors	-	233,292
Accruals and deferred income	<u>379,294</u>	<u>554,263</u>
	<u>1,394,415</u>	<u>3,800,567</u>

Included in accruals are accrued pension contributions relating to the defined contribution pension schemes of £35,765 (2021: £44,309).

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

	31 Mar 22 £	31 Mar 21 £
Bank loans	2,650,000	-
Obligations under finance leases	<u>170,932</u>	<u>109,530</u>
	<u>2,820,932</u>	<u>109,530</u>
Analysis of loans:		
Not wholly repayable within five years	-	-
Wholly repayable within five years	<u>3,191,708</u>	<u>2,481,240</u>
	3,191,708	2,481,240
Included in current liabilities	<u>(370,776)</u>	<u>(2,371,710)</u>
	<u>2,820,932</u>	<u>109,530</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Creditors: Amounts falling due after more than one year (continued)

	31 Mar 22	31 Mar 21
Loan maturity analysis:		
In more than one year but not more than two years	-	54,653
In more than two years but not more than five years	2,820,932	54,877
In more than five years	-	-
	<u>2,820,932</u>	<u>109,530</u>

The bank loan is repayable by equal quarterly instalments with the balance repayable at the end of the term and incurs interest fixed at 2.82% for the initial term of five years expiring on 6 June 2026.

Bank loans totalling £2,850,000 (2021: £2,212,260) are secured by a fixed charge over the freehold property.

A number of leases have been entered into in respect of the acquisition of computer software (see note 12).

12. Finance lease obligations

The future minimum lease payments due under finance leases was:

	31 Mar 22 £	31 Mar 21 £
Within one year	170,776	159,450
Within two to five years	<u>170,933</u>	<u>109,530</u>
	<u>341,709</u>	<u>268,980</u>

The LLP's obligations under finance leases are secured by the lessor's charge over the leased assets and bear finance charges at rates ranging from 6% to 7.5%. The net book value of secured assets is disclosed in notes 6 and 7.

13. Commitments under operating leases

At 31 March 2022 the limited liability partnership had total commitments under non-cancellable operating leases as set out below.

	31 March 2022		31 March 2021
	Land and buildings £	Other Items £	Land and buildings £
			Other Items £
Operating leases which expire:			
Within 1 year	-	7,117	-
Within 2 to 5 years	<u>-</u>	<u>7,947</u>	<u>-</u>
	<u>-</u>	<u>15,064</u>	<u>-</u>
			<u>18,418</u>

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NOTES TO THE FINANCIAL STATEMENTS
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14. Related party transactions and controlling party

The LLP is controlled by its members as delegated to the management team and as such there is no one controlling party.

The key management personnel are the members of the LLP who are ultimately responsible for planning, directing and controlling the activities of the entity, directly or indirectly.

15. Members' interests

In the event of winding up, after payment of all money due to creditors of the LLP and all expenses of the winding up, the liquidator shall after payment of any amounts owed to the Fixed Share Members pay that surplus sum to the Designated Members in accordance with respective proportions to which the Designated Members share profits.

16. Financial instruments

Financial Assets:	31 Mar 22	31 Mar 21
	£	£
Debt instruments measured at amortised cost	<u>2,413,513</u>	<u>2,410,082</u>
Financial liabilities:		
Measured at amortised cost	3,571,002	3,268,795
Measured at fair value through profit and loss	<u>-</u>	<u>-</u>
	<u>3,571,002</u>	<u>3,268,795</u>

17. Notes to the cash flow statement

Reconciliation of operating profit to net generated from operations

	Year ended	Year ended
	31 Mar 22	31 Mar 21
	£	£
Operating profit	2,587,078	2,542,385
Depreciation	393,815	204,200
Increase in stocks and amounts recoverable on contracts	(83,030)	(29,091)
Increase in debtors	(42,033)	(263,021)
(Decrease)/increase in creditors	<u>(171,926)</u>	<u>345,997</u>
Net cash inflow from operating activities	<u>2,683,904</u>	<u>2,800,470</u>

FIELD SEYMOUR PARKES LLP
NOTES TO THE FINANCIAL STATEMENTS
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17. Notes to the cash flow statement (continued)

Reconciliation of net cash flow to movement in net debt

	31 Mar 22 £	£	31 Mar 21 £	£
Increase/(decrease) in cash in the year	(45,027)		565,292	
Net cash (inflow)/outflow from bank loans	(637,740)		175,241	
Net cash outflow from loans to former members	23,351		16,613	
Net cash (inflow) from finance leases	(72,728)		(51,278)	
Net cash outflow on capital repaid to members	317,149		-	
Net cash outflow on loans due to members	2,771,577		1,862,709	
Debt reclassified as capital during year	1,178,053		-	
Profit distributed to loans due to members	<u>(2,485,505)</u>		<u>(2,451,015)</u>	
Change in net debt		<u>1,049,130</u>		<u>117,562</u>
Net debt at 1 April 2020		<u>(5,843,354)</u>		<u>(5,960,916)</u>
Net debt at 31 March 2021		<u>(4,794,224)</u>		<u>(5,843,354)</u>

Analysis of changes in net debt

	At 31 Mar 22 £	Cash flows £	Non-cash movements £	At 1 Apr 21 £
Net cash:				
Cash in hand and at bank	<u>1,687,637</u>	<u>(45,027)</u>	<u>-</u>	<u>1,732,664</u>
Debt:				
Debt due within 1 year	(370,776)	(473,653)	2,707,879	(2,605,002)
Debt due after 1 year	<u>(2,820,932)</u>	<u>-</u>	<u>(2,711,402)</u>	<u>(109,530)</u>
	<u>(3,191,708)</u>	<u>(473,653)</u>	<u>(3,523)</u>	<u>(2,714,532)</u>
Liquid resources	<u>(1,504,071)</u>	<u>(518,679)</u>	<u>(3,523)</u>	<u>(981,869)</u>
Loans and other debt due to members	<u>(3,290,153)</u>	<u>3,088,726</u>	<u>(1,517,393)</u>	<u>(4,861,486)</u>
Net debt	<u>(4,794,224)</u>	<u>2,570,047</u>	<u>(1,520,916)</u>	<u>(5,843,354)</u>