

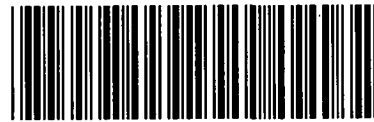
**Pollard Thomas Edwards LLP**

**Annual report and financial  
statements**

For the year ended 31 March 2018

Registered number: OC395916

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## **Pollard Thomas Edwards LLP**

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### **Information**

<b>Designated Members</b>	A M Beharrell T A Borsuk
<b>Members</b>	P Devlin R Holdsworth D Oliver P Patel K Stout C Vann
<b>LLP registered number</b>	OC395916
<b>Registered office</b>	Diespeker Wharf 38 Graham Street London N1 8JX
<b>Independent auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL

## Contents

	Page
Members' report	1 - 2
Independent auditor's report	3 - 5
Statement of comprehensive income	6
Statement of financial position	7
Reconciliation of members' interests	8
Statement of cash flows	9
Notes to the financial statements	10 - 20

## **Members' report**

For the year ended 31 March 2018

The members present their annual report together with the audited financial statements of Pollard Thomas Edwards LLP (the "LLP") for the year ended 31 March 2018.

### **Principal activities**

The principal activity of the LLP in the period under review was that of architectural and related consultancy services.

### **Designated Members**

A M Beharrell and T A Borsuk were designated members of the LLP throughout the period.

### **Members**

P Devlin, R Holdsworth, D Oliver, P Patel, K Stout and C Vann were members of the LLP throughout the period.

### **Members' capital and interests**

Details of changes in members' capital in the year ended 31 March 2018 are set out in the Reconciliation of members' interests.

### **Members' responsibilities statement**

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

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), 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 company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) 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 LLP and of the profit or loss of the LLP for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by 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 LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Members' report (continued)**

For the year ended 31 March 2018

### **Review of business**

Pollard Thomas Edwards LLP has continued to enjoy steady and controlled growth in 2017/18.

Our success in achieving planning permissions in previous years has translated into a high proportion of schemes being delivered on site. The successful completion of these projects contributes to the 'virtuous circle' of brand recognition, repeat business and new work.

However, the delivery stages of projects are conventionally less profitable than planning work. In addition, we have taken a cautious approach to valuing projects, including work in progress, deferred profit and provision for potential losses. This has reduced our profits compared to previous years.

Meanwhile, we have invested in research and development to cement our position in the growing markets for offsite fabrication and low-energy design. We have also invested in new staff and systems, including a significant investment in IT software, equipment and support staff.

Our Business Plan for 2018 and beyond includes internal restructuring to streamline our design and delivery processes and take advantage of new trends in our market place. We are gradually reducing our proportion of projects on site back towards a more conventional balance of 35% delivery and 65% planning work.

### **Disclosure of information to auditor**

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditor is unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

This report was approved by the members on 24 July 2018 and signed on their behalf by:



**A M Beharrell**  
Designated member

**Independent auditor's report to the members of Pollard Thomas Edwards LLP**

For the year ended 31 March 2018

**Opinion**

We have audited the financial statements of Pollard Thomas Edwards LLP (the 'LLP') for the year ended 31 March 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Reconciliation of members' interests and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**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 LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the LLP's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The members are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 Pollard Thomas Edwards LLP  
(continued)**

For the year ended 31 March 2018

**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, 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 on page 1, 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 LLP'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 LLP 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.

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

## Independent auditor's report to the members of Pollard Thomas Edwards LLP (continued)

For the year ended 31 March 2018

### Use of our report

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an 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 LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

*Buzzacott LLP*

CCG Watkins (Senior statutory auditor)  
for and on behalf of

**Buzzacott LLP**  
Statutory Auditor  
130 Wood Street

London

EC2V 6DL

Date: *24th July 2018*



## Statement of comprehensive income

For the year ended 31 March 2018

	Note	2018 £	2017 £
Turnover	4	11,538,041	11,010,496
Cost of sales		(7,902,486)	(6,864,052)
<b>Gross profit</b>		<b>3,635,555</b>	<b>4,146,444</b>
Administrative expenses		(2,775,898)	(2,404,963)
<b>Operating profit</b>	5	<b>859,657</b>	<b>1,741,481</b>
Interest receivable and similar income	9	-	260
Interest payable and expenses	10	-	(9,625)
<b>Profit for the year before members' remuneration and profit shares available for discretionary division among members</b>		<b>859,657</b>	<b>1,732,116</b>
<b>Total comprehensive income for the year</b>		<b>859,657</b>	<b>1,732,116</b>

There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of comprehensive income.

All amounts relate to continuing operations.

The notes on 9 to 19 form part of these financial statements.

# Statement of financial position

As at 31 March 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	11	400,000	460,000
Tangible assets	12	249,410	187,794
		<u>649,410</u>	<u>647,794</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	13	4,464,489	4,060,930
Cash at bank and in hand	14	397,300	696,220
		<u>4,861,789</u>	<u>4,757,150</u>
Creditors: amounts falling due within one year	15	(3,251,199)	(2,605,596)
<b>Net current assets</b>		<u>1,610,590</u>	<u>2,151,554</u>
<b>Net assets</b>		<u><u>2,260,000</u></u>	<u><u>2,799,348</u></u>
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Loans and other debts due to members	17	-	849,348
<b>Members' other interests</b>			
Members' capital classified as equity		2,260,000	1,950,000
		<u>2,260,000</u>	<u>2,799,348</u>
<b>Total members' interests</b>			
Amounts due from members (included in debtors)	13	(94,415)	-
Loans and other debts due to members	17	-	849,348
Members' other interests		2,260,000	1,950,000
		<u>2,165,585</u>	<u>2,799,348</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 24/7/18



**A M Beharrell**  
Designated member

The notes on pages 10 to 20 form part of these financial statements.

**Reconciliation of members' interests**

For the year ended 31 March 2018

	<b>EQUITY</b> <b>Members' other interests</b>			<b>DEBT</b> <b>Loans and other debts</b> <b>due to members less any</b> <b>amounts due from</b> <b>members in debtors</b>		<b>Total members'</b> <b>interests</b>
	<b>Members' capital</b> <b>(classified as equity)</b> <b>£</b>	<b>Other reserves</b> <b>£</b>	<b>Total</b> <b>£</b>	<b>Other amounts</b> <b>£</b>	<b>Total</b> <b>£</b>	<b>Total</b> <b>£</b>
Amounts due to members				2,090,532	2,090,532	
<b>Balance at 1 April 2016</b>	1,800,000	-	1,800,000	2,090,532	2,090,532	3,890,532
Profit for the year available for discretionary division among members	-	1,732,116	1,732,116	-	-	1,732,116
<b>Members' interests after profit for the year</b>	1,800,000	1,732,116	3,532,116	2,090,532	2,090,532	5,622,648
Other division of profits	-	(1,732,116)	(1,732,116)	1,732,116	1,732,116	-
Amounts introduced by members	450,000	-	450,000	-	-	450,000
Repayment of capital	(300,000)	-	(300,000)	-	-	(300,000)
Drawings	-	-	-	(2,973,300)	(2,973,300)	(2,973,300)
Amounts due to members				849,348	849,348	
<b>Balance at 31 March 2017</b>	1,950,000	-	1,950,000	849,348	849,348	2,799,348
Profit for the year available for discretionary division among members	-	859,657	859,657	-	-	859,657
<b>Members' interests after profit for the year</b>	1,950,000	859,657	2,809,657	849,348	849,348	3,659,005
Other division of profits	-	(859,657)	(859,657)	859,657	859,657	-
Amounts introduced by members	310,000	-	310,000	-	-	310,000
Drawings	-	-	-	(1,803,420)	(1,803,420)	(1,803,420)
Amounts due from members				(94,415)	(94,415)	
<b>Balance at 31 March 2018</b>	2,260,000	-	2,260,000	(94,415)	(94,415)	2,165,585

After the year-end a further £300,000 of capital was introduced by the members.

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

## Statement of cash flows

For the year ended 31 March 2018

	2018 £	2017 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	859,657	1,732,116
<b>Adjustments for:</b>		
Amortisation of intangible assets	60,000	60,000
Depreciation of tangible assets	92,775	79,976
Interest paid	-	9,625
Interest received	-	(260)
Increase in debtors	(309,144)	(432,238)
Increase in creditors	645,603	877,514
<b>Net cash generated from operating activities</b>	<b>1,348,891</b>	<b>2,326,733</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(154,391)	(131,733)
Interest received	-	260
<b>Net cash from investing activities</b>	<b>(154,391)</b>	<b>(131,473)</b>
<b>Cash flows from financing activities</b>		
Interest paid	-	(9,625)
Members' capital contributed	310,000	450,000
Members' capital repaid	-	(300,000)
Distribution paid to members	(1,803,420)	(2,973,300)
<b>Net cash used in financing activities</b>	<b>(1,493,420)</b>	<b>(2,832,925)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(298,920)</b>	<b>(637,665)</b>
Cash and cash equivalents at beginning of year	696,220	1,333,885
<b>Cash and cash equivalents at the end of year</b>	<b>397,300</b>	<b>696,220</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	397,300	696,220
	<b>397,300</b>	<b>696,220</b>

## Notes to the financial statements

For the year ended 31 March 2018

### 1. General information

Pollard Thomas Edwards LLP (OC395916) was incorporated and is registered in England and Wales. The registered office is Diespeker Wharf, 38 Graham Street, London, N1 8JX.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102'), the Companies Act 2006 and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the LLP's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

##### Rendering of services

Turnover arising from the provision of architectural services is assessed on a contract by contract basis and reflected in the Statement of comprehensive income by recording turnover and related costs as contract activity progresses. Turnover is calculated as the proportion of total contract value which contract costs to date bear to total expected contract costs.

The amount by which turnover exceeds payments on account is classified as "amounts recoverable under contracts" and included within debtors. To the extent that payments on account exceed turnover, the excess is included as a creditor. A provision is made for anticipated losses on contracts. Movement in the provision for losses on contracts is included in cost of sales.

#### 2.3 Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life of ten years.

#### 2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. 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.

## Notes to the financial statements

For the year ended 31 March 2018

### 2. Accounting policies (continued)

#### 2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	20%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

#### 2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 2.6 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.

#### 2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management.

#### 2.8 Financial instruments

The LLP only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

## Notes to the financial statements

For the year ended 31 March 2018

### 2. Accounting policies (continued)

#### 2.8 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the reporting date.

#### 2.9 Creditors

Short term creditors are measured at the transaction price.

#### 2.10 Taxation

Taxation of all of the LLP's profits is solely the personal liability of individual members and is not dealt with in these financial statements.

#### 2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the LLP a legal or constructive obligation that probably requires settlement by a transfer of economic benefit and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the company becomes aware of the obligation and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

#### 2.12 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of comprehensive income 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The LLP has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 April 2016 to continue to be charged over the period to the first market rent review rather than the term of the lease.

## Notes to the financial statements

For the year ended 31 March 2018

### 2. Accounting policies (continued)

#### 2.14 Pensions

##### Defined contribution pension plan

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the LLP in independently administered funds.

#### 2.15 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

#### 2.16 Members' remuneration

Members' remuneration charged as an expense in the Statement of comprehensive income related to amounts payable under contractual agreements. The balance of the profit for the year, available for discretionary division amongst the members, is treated as members' equity in the balance sheet until it is formally allocated to the members before the year end.

Any amount of profit not allocated to members is carried forward in other reserves.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the LLP's accounting policies, which are described in note 2, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis.

#### *Critical judgements in applying the LLP's accounting policies*

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), the members have made in the process of applying the LLP's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

#### *Work in progress and cost to complete*

A key estimation in calculating the work in progress figure is the cost to complete on a long term contract. This is calculated based upon a detailed budgeting process which is reviewed and updated where necessary as the contract progresses. The members experience and judgement is required when making this estimation.

#### *Revenue recognition*

On the whole revenue is recognised as it is invoiced and where a long term contract is in the earlier stages and there is an agreement in place for the project to continue the members will calculate how much of the revenue already billed is deemed to be a payment on account for future works.

#### *Impairment of goodwill*

Determining whether goodwill is impaired requires an estimation of the value in use of the future cash flows expected to arise from the cash generating units to which the goodwill has been allocated. The goodwill is being amortised evenly over its useful economic life of ten years which has been estimated by the members.



## Notes to the financial statements

For the year ended 31 March 2018

### 4. Turnover

Analysis of turnover by country of destination:

	2018 £	2017 £
United Kingdom	11,538,041	11,010,496
	<u>11,538,041</u>	<u>11,010,496</u>

### 5. Operating profit

The operating profit is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets	92,775	79,976
Amortisation of intangible assets, including goodwill	60,000	60,000
Operating lease rentals - land and buildings	447,072	337,865
Operating lease rentals - other	40,984	31,373
	<u>40,984</u>	<u>31,373</u>

### 6. Auditor's remuneration

	2018 £	2017 £
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual financial statements	16,000	15,000
<b>Fees payable to the LLP's auditor and its associates in respect of:</b>		
Tax services	8,100	6,500
Other services	5,055	2,000
	<u>13,155</u>	<u>8,500</u>

## Notes to the financial statements

For the year ended 31 March 2018

### 7. Employees

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	5,956,733	5,491,987
Social security costs	652,770	591,221
Cost of defined contribution scheme	165,737	140,957
	<u>6,775,240</u>	<u>6,224,165</u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	2018 No.	2017 No.
Architects	127	119
Administration	20	18
	<u>147</u>	<u>137</u>

### 8. Information in relation to members

	2018 Number	2017 Number
The average number of members during the year was	8	8
	<u>8</u>	<u>8</u>
	2018 £	2017 £
The amount of profit attributable to the member with the largest entitlement was	140,650	295,269
	<u>140,650</u>	<u>295,269</u>

### 9. Interest receivable

	2018 £	2017 £
Other interest receivable	-	260
	<u>-</u>	<u>260</u>

## Notes to the financial statements

For the year ended 31 March 2018

### 10. Interest payable and similar charges

	2018 £	2017 £
Other loan interest payable	-	9,625
	<u>-</u>	<u>9,625</u>
	<u>-</u>	<u>9,625</u>

### 11. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 April 2017	600,000
At 31 March 2018	<u>600,000</u>
<b>Amortisation</b>	
At 1 April 2017	140,000
Charge for the year	60,000
At 31 March 2018	<u>200,000</u>
<b>Net book value</b>	
At 31 March 2018	<u>400,000</u>
At 31 March 2017	<u>460,000</u>

## Notes to the financial statements

For the year ended 31 March 2018

### 12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>			
At 1 April 2017	170,608	172,124	342,732
Additions	36,606	117,785	154,391
At 31 March 2018	207,214	289,909	497,123
<b>Depreciation</b>			
At 1 April 2017	80,377	74,561	154,938
Charge for the year	36,128	56,647	92,775
At 31 March 2018	116,505	131,208	247,713
<b>Net book value</b>			
At 31 March 2018	90,709	158,701	249,410
At 31 March 2017	90,231	97,563	187,794

### 13. Debtors

	2018 £	2017 £
Trade debtors	2,975,316	2,247,835
Other debtors	118,939	96,616
Prepayments	484,717	316,953
Amounts recoverable on long term contracts	791,102	1,399,526
Amounts due from members	94,415	-
	<b>4,464,489</b>	<b>4,060,930</b>

Included in other debtors is a rent deposit of £111,768 (2017: £93,617) receivable after more than one year.

## Notes to the financial statements

For the year ended 31 March 2018

### 14. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	397,300	696,220
	<u>397,300</u>	<u>696,220</u>

### 15. Creditors: Amounts falling due within one year

	2018 £	2017 £
Payments received on account	1,486,388	1,079,622
Trade creditors	655,876	462,955
Other taxation and social security	709,820	624,820
Other creditors	12,579	117,347
Accruals	386,536	320,852
	<u>3,251,199</u>	<u>2,605,596</u>

### 16. Financial instruments

	2018 £	2017 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	397,300	696,220
Financial assets that are debt instruments measured at amortised cost	3,188,670	2,344,451
Financial assets that are equity instruments measured at cost less impairment	791,102	1,399,526
	<u>4,377,072</u>	<u>4,440,197</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	(838,109)	(1,551,883)
	<u>(838,109)</u>	<u>(1,551,883)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand only.

Financial assets that are debt instruments measured at amortised cost comprise other debtors, trade debtors and amounts due from members.

Financial assets that are equity instruments measured at cost less impairment comprise amounts recoverable on long term contracts.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and amounts due to members.

## Notes to the financial statements

For the year ended 31 March 2018

### 17. Loans and other debts due to members

	2018 £	2017 £
Other amounts due to members	-	(849,348)
	<u>-</u>	<u>(849,348)</u>

Loans and other debts due to members may be further analysed as follows:

	2018 £	2017 £
Falling due within one year	-	(849,348)
	<u>-</u>	<u>(849,348)</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

### 18. Contingent liabilities

There were no contingent liabilities at 31 March 2018 or 31 March 2017.

### 19. Capital commitments

The LLP had no capital commitments at 31 March 2018 or 31 March 2017.

### 20. Pension commitments

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £165,737 (2017 - £140,957). Contributions totalling £25,190 (2017 - £18,485) were payable to the fund at the balance sheet date.

### 21. Commitments under operating leases

At 31 March 2018 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £	2017 £
Not later than 1 year	493,916	447,846
Later than 1 year and not later than 5 years	530,780	1,795,969
	<u>1,024,696</u>	<u>2,243,815</u>

## Notes to the financial statements

For the year ended 31 March 2018

### 22. Related party transactions

During the year, the LLP recognised rent, rates and service charges totalling £597,271 (2017: £489,331) in relation to a tenancy agreement for which a designated member was a joint landlord along with a close family member of the other designated member. As at 31 March 2018, £113,311 (2017: £113,311) was prepaid by the LLP to the lessors. The LLP had total commitments of £1,788,288 at 31 March 2018 (2017: £2,235,360) in relation to this lease.

During the year, the LLP worked on a project for a company which is considered to be a related party by virtue of being under significant influence of the designated members of the LLP. Income from the project totalled £170,000 (2017: £nil). At 31 March 2018, £21,900 (2017: £nil) was due to the LLP and is included in trade debtors. At 31 March 2018, £9,905 (2017: £nil) was included in debtors within amounts recoverable under long term contracts.

### 23. Controlling party

In the opinion of the Designated Members, there was no ultimate controlling party of the LLP during the year or the preceding year.