

Company registration number 03526717 (England and Wales)

BLACKSTONE CHAMBERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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COMPANIES HOUSE

BLACKSTONE CHAMBERS LIMITED

COMPANY INFORMATION

Directors	Mr Robert Howe KC	
	Mr Andrew Hunter KC	
	Mr Tom Weisselberg KC	(Appointed 16 December 2022)
	Ms Jane Mulcahy KC	(Appointed 16 December 2022)
	Mr J Segan KC	(Appointed 25 May 2023)
Secretary	Ms J Hornor(resigned 25 May 2023)	
	Mr M Swallow(Appointed 25 May 2023)	
Company number	03526717	
Registered office	Wilmington House High Street East Grinstead West Sussex RH19 3AU	
Auditor	TC Group Lynton House 7-12 Tavistock Square London WC1H 9BQ	
Business address	Blackstone Chambers Blackstone House Temple London EC4Y 9BW	

BLACKSTONE CHAMBERS LIMITED

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BLACKSTONE CHAMBERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Fair review of the business

Blackstone Chambers Limited ("the Company") has managed to keep a reasonable rate in calculating levies to be collected from the members in the year, whilst improving on its services. The company recruited additional staff members and completed the renovations of its premises, thereby providing efficient and reliable services and a high quality office space for the members of Chambers.

Principal risks and uncertainties

Blackstone Chambers has set up different committees for the management of the business and the execution of the Chambers' strategy, including the financial management of the Company. The Company is exposed to a few financial risks that include credit risk and liquidity risk.

The management committee reviews the liquidity risks on a monthly basis through a robust system to ensure that there are sufficient funds available to continue in operational existence and to meet liabilities. In managing the credit risks, the Company has implemented policies that require all barristers to set up a Direct Debit to collect payments of the sales invoices.

Future Developments and performance

There have been no significant changes in the Company's activities during the year and to date. We are confident of achieving the objectives of the business.

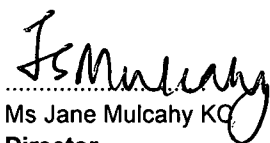
Key performance indicators

The key performance indicators used by the Company to monitor performance and to run the business are as follows:

1. Maintaining an operating cash flow which enables the Company to maintain a healthy operating cycle while reflecting the objective to generate a stable but low profitability- 2023 was a loss of 5.7% of the turnover (net profit margin 2022 was 4.8%).
2. Maintaining a balanced workforce to support the business requirements of the management Company.
3. Focusing on the barristers' satisfaction and retention.

These key performance indicators are monitored monthly and appropriate actions are taken.

On behalf of the board



Ms Jane Mulcahy KC
Director

Date: 15.12.23

BLACKSTONE CHAMBERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the Company continued to be that of providing administrative services to the members of Blackstone Chambers.

Results and dividends

The results for the year are set out on page 8.

The Company does not have a policy of paying dividends.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr Ian Mill KC	(Resigned 25 May 2023)
Ms Monica Carss-Frisk KC	(Resigned 30 December 2022)
Mr Robert Howe KC	
Mr Andrew Hunter KC	
Mr Anthony Peto KC	(Resigned 30 December 2022)
Mr Tom Weisselberg KC	(Appointed 16 December 2022)
Ms Jane Mulcahy KC	(Appointed 16 December 2022)
Mr J Segan KC	(Appointed 25 May 2023)

Auditor

Following the acquisition of BSG Valentine (UK) LLP by TC Group, TC Group were appointed as auditor to the Company and in accordance with section 485 of the Companies Act 2006.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors 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 the directors 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 company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BLACKSTONE CHAMBERS LIMITED

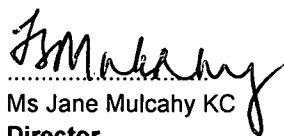
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board



Ms Jane Mulcahy KC
Director

Date: 15.12.23

BLACKSTONE CHAMBERS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BLACKSTONE CHAMBERS LIMITED

Opinion

We have audited the financial statements of Blackstone Chambers Limited (the 'Company') for the year ended 31 March 2023 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows 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 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 Company's affairs as at 31 March 2023 and of its loss 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.

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 company 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. 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 directors' 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 company'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 directors 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 directors are responsible for the other information. 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.

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.

BLACKSTONE CHAMBERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BLACKSTONE CHAMBERS LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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.

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:

BLACKSTONE CHAMBERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BLACKSTONE CHAMBERS LIMITED

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks 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, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management. Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; agreeing revenue for the year to underlying budgets, client calculations and invoicing; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

BLACKSTONE CHAMBERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF BLACKSTONE CHAMBERS LIMITED

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

TC Group

Gary Allen FCA (Senior Statutory Auditor)
For and on behalf of TC Group

Date: 15/12/2023

Statutory Auditor
Lynton House
7-12 Tavistock Square
London
WC1H 9BQ

BLACKSTONE CHAMBERS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Turnover	3	11,246,219	11,273,935
Administrative expenses		(11,422,838)	(10,225,855)
Operating (loss)/profit	4	(176,619)	1,048,080
Interest payable and similar expenses	7	(265,055)	(251,331)
(Loss)/profit before taxation		(441,674)	796,749
Tax on (loss)/profit	8	(56,089)	(250,286)
(Loss)/profit for the financial year		(497,763)	546,463
Retained earnings brought forward as previously reported		1,964,059	1,417,596
Retained earnings carried forward		1,466,296	1,964,059

The statement of income and retained earnings has been prepared on the basis that all operations are continuing operations.

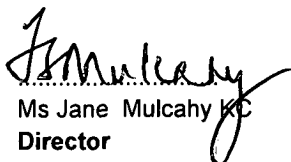
BLACKSTONE CHAMBERS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	9		1		1
Tangible assets	11		7,224,316		7,024,302
			<u>7,224,317</u>		<u>7,024,303</u>
Current assets					
Debtors	10	3,764,789		3,598,101	
Cash at bank and in hand	12	2,853,146		2,627,705	
		<u>6,617,935</u>		<u>6,225,806</u>	
Creditors: amounts falling due within one year	13	(6,789,457)		(5,105,439)	
Net current (liabilities)/assets			<u>(171,522)</u>		<u>1,120,367</u>
Total assets less current liabilities			7,052,795		8,144,670
Creditors: amounts falling due after more than one year	14		(5,052,761)		(5,699,839)
Provisions for liabilities			<u>(533,733)</u>		<u>(480,767)</u>
Net assets			<u>1,466,301</u>		<u>1,964,064</u>
Capital and reserves					
Called up share capital	19		5		5
Profit and loss reserves			1,466,296		1,964,059
Total equity			<u>1,466,301</u>		<u>1,964,064</u>

The financial statements were approved by the board of directors and authorised for issue on 15/12/2023 and are signed on its behalf by:


 Ms Jane Mulcahy KC
 Director

Company Registration No. 03526717

BLACKSTONE CHAMBERS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	23		1,563,476		878,186
Interest paid			(262,055)		(248,331)
Income taxes paid			(1,282)		(129,847)
Net cash inflow from operating activities			<u>1,300,139</u>		<u>500,008</u>
Investing activities					
Purchase of tangible fixed assets		(536,134)		(4,896,914)	
Net cash used in investing activities			<u>(536,134)</u>		<u>(4,896,914)</u>
Financing activities					
Net new bank(repayments)/ loans		(588,564)		1,190,144	
Net cash (used in)/generated from financing activities			<u>(588,564)</u>		<u>1,190,144</u>
Net increase/(decrease) in cash and cash equivalents			<u>175,441</u>		<u>(3,206,762)</u>
Cash and cash equivalents at beginning of year			<u>2,557,705</u>		<u>5,764,467</u>
Cash and cash equivalents at end of year			<u><u>2,733,146</u></u>		<u><u>2,557,705</u></u>
Relating to:					
Cash at bank and in hand			2,853,146		2,627,705
Bank overdrafts included in creditors payable within one year			<u>(120,000)</u>		<u>(70,000)</u>

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Blackstone Chambers Limited (registered number 03526717) is a private company limited by shares incorporated in England and Wales. The registered office is Wilmington House, High Street, East Grinstead, West Sussex, RH19 3AU and its place of business is Blackstone House, Temple, London, EC4Y 9BW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

Taking into account a period of at least 12 months from the date of approval of these financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, and for this reason the going concern basis has continued to be adopted in preparing these accounts.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Turnover, which comprises rents charged to the barristers, is recognised on an accruals basis as services are provided to the barristers. Amounts invoiced in advance of the services being provided are included within deferred income.

1.4 Intangible fixed assets other than goodwill

Intangible 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 or valuation of assets less their residual values over their useful lives on the following bases:

Website development	3 Years Straight line
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1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Straight line over 10 years or life of lease if renewal is not reasonably assured.
Office equipment	Straight line over 5 years
Fixtures & Fittings	15% per annum straight line
Computer Equipment	Straight line over 5 years
Library	20% per annum straight line

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity shares issued by the Company are recorded at a nominal value. Equity dividends are not paid as the Company's purpose is to serve Blackstone Chambers' members rather than produce a return for its shareholders.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors have exercised judgement on the following:-

- in depreciating leasehold improvements over 10 years, as they consider this to be the time period over which the company will benefit from use of the assets. This depreciation period has also been used where the lease has less than 10 years to run, as the directors consider lease renewal to be reasonably assured.

- in determining the likely final liability for the completion of construction works at the company's premises. The liability has been estimated based on discussions with the landlord and the advice of professional advisors.

3 Turnover and other revenue

	2023	2022
	£	£
Other revenue		
Rent from Resident members	11,147,489	11,142,340
Rent from Non Resident members	98,729	131,594
	<u> </u>	<u> </u>

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Operating (loss)/profit

	2023	2022
	£	£
Operating (loss)/profit for the year is stated after charging:		
Depreciation of owned tangible fixed assets	714,897	437,603
Loss on disposal of tangible fixed assets	56,289	265,631
Operating lease charges	1,917,060	2,185,895
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	14,000	10,000
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the Company during the year was:

	2023	2022
	Number	Number
Management and administration	38	35
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	4,117,174	3,597,533
Social security costs	508,345	477,015
Pension costs	34,224	31,452
	<u> </u>	<u> </u>
	4,659,743	4,106,000
	<u> </u>	<u> </u>

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	265,055	251,331
	<u> </u>	<u> </u>

8 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	3,123	1,299
	<u> </u>	<u> </u>

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8	Taxation	(Continued)	
		2023 £	2022 £
	Deferred tax		
	Origination and reversal of timing differences	52,966	248,987
	Total deferred tax	52,966	248,987
	Total tax charge	56,089	250,286

The Deferred tax has been calculated at the rate of 25%.

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
(Loss)/profit before taxation	(441,674)	796,749
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(83,918)	151,382
Tax effect of expenses that are not deductible in determining taxable profit	113,982	88,077
Adjustments in respect of prior years	(17)	-
Capital allowances in excess of depreciation	(26,924)	(238,160)
Deferred tax movement	52,966	248,987
Taxation charge for the year	56,089	250,286

9	Intangible fixed assets	Website development £
	Cost	
	At 1 April 2022 and 31 March 2023	84,025
	Amortisation and impairment	
	At 1 April 2022 and 31 March 2023	84,024
	Carrying amount	
	At 31 March 2023	1
	At 31 March 2022	1

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	2,368,272	2,179,052
Other debtors	729,167	1,013,014
Prepayments and accrued income	667,350	406,035
	<u>3,764,789</u>	<u>3,598,101</u>

11 Tangible fixed assets

	Short Leasehold £	Office equipment £	Fixtures & Fittings £	Computer Equipment £	Library £	Total £
Cost						
At 1 April 2022	8,070,185	13,909	46,959	424,023	23,555	8,578,631
Additions	850,750	-	-	120,450	-	971,200
Disposals	(684,922)	-	-	-	-	(684,922)
At 31 March 2023	<u>8,236,013</u>	<u>13,909</u>	<u>46,959</u>	<u>544,473</u>	<u>23,555</u>	<u>8,864,909</u>
Depreciation and impairment						
At 1 April 2022	1,284,068	12,235	27,892	206,581	23,553	1,554,329
Depreciation charged in the year	650,849	298	5,183	58,567	-	714,897
Eliminated in respect of disposals	(628,633)	-	-	-	-	(628,633)
At 31 March 2023	<u>1,306,284</u>	<u>12,533</u>	<u>33,075</u>	<u>265,148</u>	<u>23,553</u>	<u>1,640,593</u>
Carrying amount						
At 31 March 2023	<u>6,929,729</u>	<u>1,376</u>	<u>13,884</u>	<u>279,325</u>	<u>2</u>	<u>7,224,316</u>
At 31 March 2022	<u>6,786,117</u>	<u>1,674</u>	<u>19,067</u>	<u>217,442</u>	<u>2</u>	<u>7,024,302</u>

12 Bank

	2023 £	2022 £ as restated
Current account	2,207,120	2,126,303
Chambers loan account	644,740	499,405
Petty cash	1,286	1,997
	<u>2,853,146</u>	<u>2,627,705</u>

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £ as restated
Bank loans and overdrafts	15	948,688	840,174
Trade creditors		1,343,818	383,589
Corporation tax		3,141	1,299
Other taxation and social security		462,177	427,202
Deferred income		2,539,116	2,549,711
Other creditors		647,949	241,031
Accruals		844,568	662,433
		<u>6,789,457</u>	<u>5,105,439</u>

14 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	15	<u>5,052,761</u>	<u>5,699,839</u>

15 Loans and overdrafts

	2023 £	2022 £
Bank loans	5,881,449	6,470,013
Bank overdrafts	<u>120,000</u>	<u>70,000</u>
	<u>6,001,449</u>	<u>6,540,013</u>
Payable within one year	948,688	840,174
Payable after one year	3,682,131	3,422,056
Payable after five years	<u>1,370,630</u>	<u>2,277,783</u>

Bank borrowings are supported by guarantees from five members which in turn are supported by cross guarantees by all barristers who use the facilities provided by the Company.

Per the loan agreements, there will be fixed monthly repayments of the capital and interest up to 31 July 2029, when the loans will be fully repaid. The interest is payable at an average rate of 4.16% on the principal amount.

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	1,222,367	1,437,356
Between two and five years	3,928,544	4,194,800
In over five years	3,191,942	4,456,975
	<u>8,342,853</u>	<u>10,089,131</u>

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Accelerated Capital Allowances	<u>533,733</u>	<u>480,767</u>
Movements in the year:		2023 £
Liability at 1 April 2022		480,767
Charge to profit or loss		52,966
Liability at 31 March 2023		<u>533,733</u>

The deferred tax liability set out above is expected to reverse in a few years and relates to accelerated capital allowances that are expected to mature by then.

18 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>34,224</u>	<u>31,452</u>

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	5	5	5	5

20 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2023 £	2022 £
Acquisition of tangible fixed assets	-	185,000

This is secured by a guarantee provided by five members which in turn are supported by cross guarantees by all barristers who use the facilities provided by the Company.

21 Related party transactions

During the year the company entered into the following transactions with related parties:

Service charges levied to directors during the year totalled £1,023,161 (2022: £1,306,821), of which £263,456 (2022: £240,999) was included in trade debtors at the year end. The services charges were raised on normal commercial terms. In addition, reimbursable expenses incurred on behalf of the directors of £29,315 were included in other debtors.

22 Fees held on trust

The company collects barristers' fee income and holds it on trust for them in a separate bank account. The amounts held at the year end totalled £1,253,484 (2022: £3,016,991).

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Cash generated from operations

	2023 £	2022 £ as restated
(Loss)/profit for the year after tax	(497,763)	546,463
Adjustments for:		
Taxation charged	56,089	250,286
Finance costs	265,055	251,331
Loss on disposal of tangible fixed assets	56,289	265,631
Depreciation and impairment of tangible fixed assets	714,898	437,604
Movements in working capital:		
Increase in debtors	(169,688)	(163,777)
Increase/(decrease) in creditors	1,138,596	(709,352)
Cash generated from operations	<u>1,563,476</u>	<u>878,186</u>

24 Contingent liability

The final cost of the construction works carried out at the company's premises is currently being negotiated. The directors have included their best estimate of the final amount payable as a creditor in the financial statements. The directors judge that an additional claim of £928k will not become payable and they have not therefore made any provision for this claim in the financial statements.

25 Analysis of changes in net debt

	2023 £
Opening net funds/(debt)	
Cash at bank and in hand	2,557,705
Borrowings excluding overdrafts	(6,470,013)
	<u>(3,912,308)</u>
Changes in net debt arising from:	
Cash flows of the entity	175,441
Bank loans repayments	588,564
	<u>(3,148,303)</u>
Closing net funds/(debt) as analysed below	<u>(3,148,303)</u>
Closing net funds/(debt)	
Cash at bank and in hand	2,733,146
Borrowings excluding overdrafts	(5,881,449)
	<u>(3,148,303)</u>

BLACKSTONE CHAMBERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

26 Prior period adjustment

The prior year financial statements have been restated to remove the barristers' fees bank balance of £3,016,991, which is held in the company's name. The fees are held on trust for the barristers and, in the directors' opinion, should not be included as an asset of the company. The corresponding creditor of £3,016,991 has also been removed, such that there is no net impact on the company's balance sheet.

Changes to the balance sheet

	As previously reported £	Adjustment £	As restated at 31 Mar 2022 £
Current assets			
Bank and cash	5,644,696	(3,016,991)	2,627,705
Creditors due within one year			
Trade Creditors	(3,400,580)	3,016,991	(383,589)
Net assets	1,964,064	-	1,964,064
	<u> </u>	<u> </u>	<u> </u>
Capital and reserves			
Total equity	1,964,064	-	1,964,064
	<u> </u>	<u> </u>	<u> </u>

Reconciliation of changes in equity

The prior period adjustments do not give rise to any effect upon equity.