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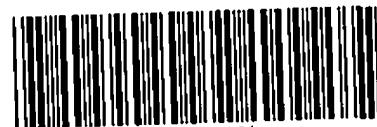
TLT (NI) LLP

Annual report and audited financial statements
for the year ended 30 April 2022

Registered number: NC000856

For what comes next
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TLT (NI) LLP

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TLT (NI) LLP

Members' report

The members present their annual report on the affairs of the partnership, together with the financial statements and auditor's report, for the year ended 30 April 2022.

Firm structure

The LLP is a Limited Liability Partnership registered in Northern Ireland. A list of designated members' names is shown on page 2.

Principal activity

TLT (NI) LLP (the "Partnership") is principally engaged in the provision of legal services in Northern Ireland.

Review of the business and future developments

The Partnership's business plan is to continue to invest and grow in particular in its existing location and key sectors whilst retaining appropriate profitability and return on investment.

A summary of the results for the year and the financial position are set out in the financial statements on pages 7 to 9. During the financial year the Partnership continues to be affected by the pandemic in terms of particular work streams surrounding bank recoveries litigation but has continued to invest and broadened the breadth of services offered to clients following the move to larger new premises in April 2019. Income increased by £0.2m (7%) to £3.7m but still delivered reasonable profitability after incurring continued high investment costs and pandemic affected workstreams. Net assets reduced by £0.1m to £0.6m. The members consider that a satisfactory result was achieved for the full year with a good financial performance despite the restrictions and impact of the pandemic.

Refer to note 1 for detail on the adoption of the going concern basis. As at 30 April 2022 the Partnership had net current liabilities of £68,000 (2021 – liability of £107,000) largely arising from the cost of leasehold improvements arising in 2019 of £1.24m being funded via intercompany loan from TLT LLP (the parent undertaking), which is all treated as immediately due for repayment for accounting purposes.

The pandemic continues to have an impact on the Partnership on some workstreams and in addition to high inflation creates an increased level of uncertainty on future trading with some work streams affected more than others, plus increased risk of bad debts. The TLT Group renewed borrowing facilities in July 2021 by securing RCF funding through to July 2024. Group trading in 2021/22 and subsequently has continued to be strong, and the group is holding significant cash balances and reduced borrowing levels. The Partnership has the continued financial support of TLT LLP and has not had to secure any borrowing facilities.

Funding is arranged on a group basis with the firm's parent TLT LLP. TLT LLP has considered what circumstances would need to occur to have a significant impact on the ability of the Group to trade for the foreseeable future or for banking covenants to be breached. The factors considered included lower fee income against current forecasts, increasing debtor value and a deterioration in the aged profile of debtors. Based on this analysis, the current financial position of the group and post year end trading results, TLT LLP considers the likelihood of a reduction in revenue, increase in debtor value or deterioration of debtor profile of this magnitude to be remote.

Accordingly the Members of TLT (NI) LLP have concluded that there is no material uncertainty in relation to going concern and as such they continued to adopt the going concern basis in preparing the financial statements.

TLT (NI) LLP

Members' report (continued)

Designated members

The designated members, who served during the year were as follows:

K Kimber
S McBride
J Wood

Principal place of business and registered office

River House
48-60 High Street
Belfast
Northern Ireland
BT1 2BE

Members' drawings and the subscription and repayment of members' capital

The Partnership operates a drawings policy which has regard to a cautious estimate of budgeted profits. Drawings are restricted to prudent levels, taking into account working capital performance, with full distributions of profits only when the results for the year and individual members' allocations have been determined. In addition, the Membership Agreement provides a framework for further restriction of drawings under circumstances where the cash requirements of the business need to take priority over the cash needs of the members.

Fixed share members are entitled to a guaranteed share of the firm's profit plus a potential fixed bonus element. All other members participate fully in the firm's profit share, and share the risks.

Fixed share members are required to contribute capital of 25% to 28% of their contractually-entitled earnings. Capital is subscribed and repaid at par. Members' capital is repayable on retirement of the member and is therefore classified as a liability. Because members may retire with less than one year's notice and typically have their capital repaid within one year of serving notice, members' capital is shown as being due within one year.

Approved by the members and signed on its behalf by:



John Wood
Designated Member
14 December 2022

Members' responsibilities statement

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

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that period.

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

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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

TLT (NI) LLP

Independent Auditor's report to the Members of TLT (NI) LLP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Limited Liability Partnership's affairs as at 30 April 2022 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of TLT (NI) LLP ("the Limited Liability Partnership") for the year ended 30 April 2022 which comprise the profit and loss account and statement of other comprehensive income, balance sheet, statement of changes in members' interest and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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 the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Limited Liability Partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members with respect to going concern are described in the relevant sections of this report.

Other information

The Members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

TLT (NI) LLP

Independent Auditor's report to the members of TLT (NI) LLP (continued)

Other Companies Act 2006 reporting as applied to limited liability partnerships

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

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

Responsibilities of Members

As explained more fully in the Members' responsibilities statement, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members are responsible for assessing the 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We gained an understanding of the legal and regulatory framework applicable to the entity and the industry in which it operates, through discussion with management and our knowledge of the industry. We focussed on significant laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008, Solicitors' Accounts Rules, UK Generally Accepted Accounting Practice, Health and Safety, the Bribery Act 2010 and tax legislations.
- We considered compliance with these laws and regulations through discussions with management and those charged with governance. Our procedures also included reviewing minutes from board meetings of those charged with governance to identify any instances of non-compliance with laws and regulations.
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. In addressing the risk of fraud including management override of controls and improper revenue recognition, we tested the appropriateness of journal entries made throughout the year by applying specific criteria.

TLT (NI) LLP

Independent Auditor's report to the members of TLT (NI) LLP (continued)

- We performed detailed testing of the entity's year end adjusting entries and journals throughout the year, investigated any that appeared unusual as to nature or amount; assessed whether the judgements made in accounting estimates were indicative of a potential bias and tested the application of cut-off and revenue recognition in respect of amounts recoverable on contracts.
- We identified areas at risk of management bias and challenged key estimates and judgements applied by Management in the financial statements to assess their appropriateness.
- We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the Limited Liability Partnership's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Partnership and the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Sarah Applegate
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Sarah Applegate (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Bristol
Date: 14 December 2022

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

TLT (NI) LLP

Profit and loss account and statement of other comprehensive income

for the year ended 30 April 2022

| | Note | 2022 £'000 | 2021 £'000 |
|---|------|---------------|---------------|
| Turnover | 3 | 3,686 | 3,453 |
| Other operating income | | 1 | 1 |
| | | <hr/> | <hr/> |
| | | 3,687 | 3,454 |
| Other external charges | | | |
| Depreciation and amortisation | | (131) | (127) |
| Other operating expenses | | (2,575) | (2,193) |
| | | <hr/> | <hr/> |
| Operating profit | 4 | 981 | 1,134 |
| Interest payable and similar charges | 5 | (53) | (51) |
| | | <hr/> | <hr/> |
| Profit on ordinary activities before members' remuneration and profit shares | | 928 | 1,083 |
| Members' remuneration charged as an expense | | (928) | (1,083) |
| | | <hr/> | <hr/> |
| Profit and total comprehensive income for the financial year available for discretionary division among members | | <hr/> | <hr/> |

There was no other comprehensive income in the year (2021: none).

All results relate to continuing activities.

The notes on pages 10 to 16 form part of these financial statements.

TLT (NI) LLP

Balance sheet

At 30 April 2022

| | Note | 2022 £'000 | 2021 £'000 |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 7 | 852 | 983 |
| Current assets | | | |
| Debtors | 8 | 2,142 | 1,839 |
| Cash at bank and in hand | | 1,330 | 190 |
| | | <u>3,472</u> | <u>2,029</u> |
| Creditors: amounts falling due within one year | 9 | <u>(3,540)</u> | <u>(2,136)</u> |
| Net current liabilities | | <u>(68)</u> | <u>(107)</u> |
| Total assets less current liabilities | | 784 | 876 |
| Provisions for liabilities | 10 | (143) | (207) |
| Net assets attributable to members | | <u>641</u> | <u>669</u> |
| Represented by: | | | |
| Loans and other debts due to members within one year | | | |
| Members' capital classified as a liability | | 231 | 250 |
| Loans and other debts due to members | | 410 | 419 |
| Total members' interests | | <u>641</u> | <u>669</u> |

The financial statements of TLT (NI) LLP (registered number NC000856) were approved by the members and authorised for issue on 14 December 2022. They were signed on behalf of the members by:



John Wood
Designated member

The notes on pages 10 to 16 form part of these financial statements.

TLT (NI) LLP

Statement of changes in members' interest

For the year ended 30 April 2022

| | Members' capital classified as a liability £'000 | Loans and other debts due to members £'000 | Total members' interests £'000 |
|--|---|---|-----------------------------------|
| Members' interests at 1 May 2020 | 244 | 804 | 1,048 |
| Members' remuneration charged as an expense | - | 1,083 | 1,083 |
| Total comprehensive income available for discretionary division among members | 244 | 1,887 | 2,131 |
| Members' capital introduced | 31 | - | 31 |
| Members' capital repaid | (25) | - | (25) |
| Drawings (including tax payments) | - | (1,468) | (1,468) |
| At 30 April 2021 | 250 | 419 | 669 |

| | Members' capital classified as a liability £'000 | Loans and other debts due to members £'000 | Total members' interests £'000 |
|--|---|---|-----------------------------------|
| Members' interests at 1 May 2021 | 250 | 419 | 669 |
| Members' remuneration charged as an expense | - | 928 | 928 |
| Total comprehensive income available for discretionary division among members | 250 | 1,347 | 1,597 |
| Members' capital introduced | 59 | - | 59 |
| Members' capital repaid | (78) | - | (78) |
| Drawings (including tax payments) | - | (937) | (937) |
| At 30 April 2022 | 231 | 410 | 641 |

The notes on pages 10 to 16 form part of these financial statements.

TLT (NI) LLP

Notes to the financial statements

For the year ended 30 April 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

a. General information and basis of accounting

TLT (NI) LLP ("the Partnership") is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000. The address of the registered office is given on page 2. The nature of the partnership's operations and its principal activities are set out in the members' report on pages 1 and 2.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (2017).

The functional currency of the Partnership is considered to be pounds sterling because that is the currency of the primary economic environment in which the Partnership operates.

The Partnership meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel. Equivalent disclosures are made in the financial statements of TLT LLP, into which this entity is consolidated.

b. Going concern

The financial performance and position are set out on pages 7 to 9.

In preparing the financial statements, the members have considered the current financial position of the firm and its projected future cash flows for the period to 31 December 2023. At the date of signing the financial statements, the members have concluded that it is appropriate to prepare the financial statements on a going concern basis.

The firm reported a profit before members' remuneration and profit shares for the year of £928,000 (2021 - £1,083,000) and had net assets attributable to members as at 30 April 2022 of £641,000 (2021 - £669,000). The firm has no external debt (2021 - £nil), cash at bank of £1,330,000 (2021 - £190,000) and net current liabilities of £68,000 (2021 - liabilities of £107,000) caused by the intragroup liability being treated as on demand, whereas it is in effective a medium-term funding facility provided by TLT LLP.

The pandemic continues to have an impact on the Partnership on some workstreams and in addition to high inflation creates an increased level of uncertainty on future trading with some work streams affected more than others, plus increased risk of bad debts. The TLT Group renewed borrowing facilities in July 2021 by securing RCF funding through to July 2024. Group trading in 2021/22 and subsequently has continued to be strong, and the group is holding significant cash balances and reduced borrowing levels. The Partnership has the continued financial support of TLT LLP and has not had to secure any borrowing facilities.

Funding is arranged on a group basis with the firm's parent TLT LLP. TLT LLP has considered what circumstances would need to occur to have a significant impact on the ability of the Group to trade for the foreseeable future or for banking covenants to be breached. The factors considered included lower fee income against current forecasts, increasing debtor value and a deterioration in the aged profile of debtors. Based on this analysis, the current financial position of the group and post year end trading results, TLT LLP considers the likelihood of a reduction in revenue, increase in debtor value or deterioration of debtor profile of this magnitude to be remote.

The Members of TLT (NI) LLP have made enquiries of TLT LLP and reviewed the Group's cash flow forecast, the impact of the economic situation and Group's risk assessment on possible downside scenarios. In addition TLT LLP has undertaken to provide financial support to the firm for a period of not less than 12 months from approval of the financial statements.

Notes to the financial statements (continued)

For the year ended 30 April 2022

Accounting policies (continued)

Going concern (continued)

Accordingly the Members of TLT (NI) LLP have concluded that there is no material uncertainty in relation to going concern and as such they continued to adopt the going concern basis in preparing the financial statements.

c. Taxation

The taxation payable on the Partnership profits is the personal liability of the members, although payment of such liabilities is administered by the Partnership on behalf of the members. Consequently, neither partnership taxation nor related deferred taxation are accounted for in the financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members or set against amounts due from members as appropriate.

d. Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements - over the shorter of expected useful life and life of the lease

Furniture and equipment - 10% per annum on a straight-line basis

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

e. Members' interests

Fixed share members are required to contribute capital of 25% to 28% of their contractually-entitled earnings. Capital is subscribed and repaid at par. Members' capital is repayable on retirement of the member and is therefore classified as a liability. Because members may retire with less than one year's notice and typically have their capital repaid within one year of serving notice, members' capital is shown as being due within one year.

Unsecured debt to members would rank equally with debts due to other unsecured creditors if the entity were to wind up.

f. Divisible profits and members' remuneration

Fixed share members are entitled to a guaranteed share of the firm's profit plus a potential fixed bonus element. All other members participate fully in the group's profit share and share the risks.

Members' fixed shares of profits (including discretionary fixed share bonuses) and interest earned on members' balances are automatically allocated and are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.

g. Turnover

Turnover is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding VAT. Provisions against the recoverability of assets in respect of this turnover (accrued income and unbilled deliverables) are made on the basis of known irrecoverable assets after the year end and also based on the recovery rate expectations of the firm.

Turnover on projects, which represent fixed pieces of work in revenue lines that are not operated on a time recording system (as above), is recognised by taking assumed timeframes over which such projects are usually active and adjusting for the assumed completion percentage of work billed in the months after year end.

Notes to the financial statements (continued)

For the year ended 30 April 2022

Accounting policies (continued)

Turnover (continued)

For such contracts the amount of turnover reflects the accrual of the right to consideration by reference to the percentage of work performed to complete the project. Turnover not billed to clients is included in accrued income and unbilled deliverables.

h. Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term. Where such benefits are contingent upon the members' decisions at the date of contractual break clauses, the benefits are evenly spread until it becomes otherwise apparent that these clauses will be exercised.

i. Provisions

Uninsured excesses arising on claims are assessed annually on a case specific basis and provision made where payments are deemed probable, after allowing for recoveries under insurance policies. The provision only includes the excess element since the gross cost of settling claims is done so directly by the insurer of those claims.

Provision is made for dilapidations in respect of property leases which contain requirements for the premises to be returned to their original state prior to the conclusion of the lease term and are probable to be incurred.

Provision is made in respect of onerous leases to recognise all the expected future costs arising under the contractual lease term. Costs include rent, rates, service charges, and dilapidations up until the later of lease expiry, break date, or anticipated assignment date. No discounting or time value of money adjustments are made as they are considered immaterial.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the LLP's accounting policies, which are described in note 1, 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Partnership's accounting policies

The following are the critical judgements and key sources of estimation uncertainty that the members have made in the process of applying the Partnership's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition – accrued revenue

The value of accrued revenue is derived on the basis of estimations and assumptions regarding the fair value of unbilled time at the year-end, having regard to the partnership's accounting policy for revenue recognition and assumptions made around both the recovery rates of the firm and the percentage completion on fixed fee assignments over the year end. Neither are expected to experience a material deviation from the valuations estimated by management at the year end.

Measurement of provisions

The partnership's provisions, as set out in note 10 to the financial statements, include provisions for professional indemnity and other commercial claims, and onerous lease provisions, and are based on the management's best estimate of future cash flows in accordance with the policy outlined in note 1. The onerous lease provision of £134,000 (2021: £204,000) is based on expected future cashflows until lease expiry in 2024. The provision will be unwound over two years unless earlier assignment is achieved.

TLT (NI) LLP

Notes to the financial statements (continued)

For the year ended 30 April 2022

3. Turnover

The members consider that disclosure of segmental analysis would be seriously prejudicial to the interests of the business.

4. Profit on ordinary activities before members' remuneration and profit shares

Profit on ordinary activities is stated after charging:

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Operating lease rentals – land and buildings | 249 | 249 |
| Depreciation –owned assets | 131 | 127 |
| Auditors' remuneration | | |
| - Audit of the Partnership's annual financial statements | 10 | 10 |
| - Audit-related assurance services | 12 | 9 |
| | <u>24</u> | <u>19</u> |

No services were provided pursuant to contingent fee arrangements.

5. Finance costs

| | 2022 £'000 | 2021 £'000 |
|--------------------------------------|---------------|---------------|
| Interest payable and similar charges | | |
| Interest payable to clients | 1 | 1 |
| Interest payable on intragroup loans | 52 | 50 |
| | <u>53</u> | <u>51</u> |

6. Members

| | 2022 Number | 2021 Number |
|---|----------------|----------------|
| The average number of Members in the year was | <u>10</u> | <u>11</u> |

The Partnership has no employees and incurred no staff costs as all staff are employed by TLT LLP. A recharge is made for the services provided by these employees amounting to £1,153,000 (2021 - £1,067,000).

TLT (NI) LLP

Notes to the financial statements (continued)

For the year ended 30 April 2022

7. Tangible fixed assets

| | Leasehold improvements £'000 | Furniture & equipment £'000 | Total £'000 |
|--------------------------|------------------------------------|-----------------------------------|----------------|
| Cost or valuation | | | |
| At 1 May 2021 | 858 | 390 | 1,248 |
| Disposals | - | (5) | (5) |
| At 30 April 2022 | 858 | 385 | 1,243 |
| Depreciation | | | |
| At 1 May 2021 | 184 | 81 | 265 |
| Charge for the year | 88 | 43 | 131 |
| Disposals | - | (5) | (5) |
| At 30 April 2022 | 272 | 119 | 391 |
| Net book value | | | |
| At 30 April 2022 | 586 | 266 | 852 |
| At 30 April 2021 | 674 | 309 | 983 |

8. Debtors

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Amounts falling due within one year | | |
| Trade debtors | 985 | 872 |
| Other debtors | 274 | 222 |
| Prepayments | 262 | 219 |
| Accrued income and unbilled deliverables | 621 | 526 |
| | 2,142 | 1,839 |

The Partnership has a bad debt provision at 30 April 2022 of £84,000 (2021 - £157,000). Impairment losses in respect of trade debtors were recognised in the financial year of £24,000 (2021 – gains of £9,000).

TLT (NI) LLP

Notes to the financial statements (continued)

For the year ended 30 April 2022

9. Creditors: amounts falling due within one year

| | 2022 £'000 | 2021 £'000 |
|------------------------------------|---------------|---------------|
| Trade creditors | - | 102 |
| Amounts owed to group undertakings | 3,081 | 1,666 |
| Other taxation and social security | 100 | 93 |
| Other creditors | 123 | 103 |
| Accruals | 236 | 172 |
| | <u>3,540</u> | <u>2,136</u> |

Amounts owed to group undertakings are unsecured and repayable on demand. Interest is charged via intragroup management charges.

10. Provisions for liabilities

| | Uninsured excess provision £'000 | Onerous lease provision £'000 | Total £'000 |
|------------------------------------|---|--|----------------|
| At 1 May 2021 | 3 | 204 | 207 |
| Charged to profit and loss account | 12 | - | 12 |
| Amounts utilised | (6) | (70) | (76) |
| At 30 April 2022 | <u>9</u> | <u>134</u> | <u>143</u> |

11. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2022 Land and buildings £'000 | 2021 Land and buildings £'000 |
|----------------------------|--|--|
| Within one year | 303 | 303 |
| Between one and five years | 981 | 1,028 |
| After five years | 446 | 713 |
| | <u>1,730</u> | <u>2,044</u> |

TLT (NI) LLP

Notes to the financial statements (continued)

For the year ended 30 April 2022

12. Related party transactions

The LLP has not disclosed transactions between itself and TLT group entities, in accordance with the exemption given in FRS102 section 33 'Related Party Disclosures'.

13. Controlling party

In the opinion of the members there is no ultimate controlling party. The results of TLT (NI) LLP are included in the consolidated financial statements of TLT LLP. The consolidated financial statements of TLT LLP are available from TLT LLP, One Redcliff Street, Bristol BS1 6TP.

14. Post balance sheet events

There are no events after the balance sheet date requiring disclosure or adjustment in the financial statements.

15. Capital commitments

At 30 April 2022 the LLP had no contractual capital commitments (2021 - £nil).

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