

Limited Liability Partnership Registration No. OC308530 (England and Wales)

**REDD SOLICITORS LLP**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**  
**PAGES FOR FILING WITH REGISTRAR**



# REDD SOLICITORS LLP

## LIMITED LIABILITY PARTNERSHIP INFORMATION

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<b>Designated members</b>	S L Ashby S R Chalkley A K Carboni M J Browne
<b>Limited liability partnership number</b>	OC308530
<b>Registered office</b>	22 Tudor Street London UK EC4Y 0AY
<b>Accountants</b>	Wilkins Kennedy LLP Athenia House 10-14 Andover Road Winchester Hampshire SO23 7BS

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# **REDD SOLICITORS LLP**

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# REDD SOLICITORS LLP

## BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
<b>Fixed assets</b>					
Tangible assets	3		148,462		216,125
<b>Current assets</b>					
Debtors	4	890,040		1,018,776	
Cash at bank and in hand		136,818		30,248	
		1,026,858		1,049,024	
<b>Creditors: amounts falling due within one year</b>	5	(184,761)		(296,434)	
<b>Net current assets</b>			842,097		752,590
<b>Total assets less current liabilities</b>			990,559		968,715
<b>Creditors: amounts falling due after more than one year</b>	6		(3,928)		(61,045)
<b>Net assets attributable to members</b>			986,631		907,670
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Amounts due in respect of profits			235,631		105,670
<b>Members' other interests</b>					
Members' capital classified as equity			751,000		802,000
			986,631		907,670
<b>Total members' interests</b>					
Loans and other debts due to members			235,631		105,670
Members' other interests			751,000		802,000
			986,631		907,670

The members of the limited liability partnership have elected not to include a copy of the profit and loss account within the financial statements.

# REDD SOLICITORS LLP

## BALANCE SHEET (CONTINUED)

**AS AT 31 MARCH 2017**

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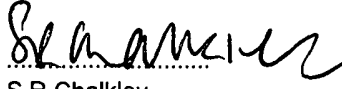
For the financial year ended 31 March 2017 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small limited liability partnerships.

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships' regime.

The financial statements were approved by the members and authorised for issue on 8/8/17 and are signed on their behalf by:

  
S-L Ashby  
Designated member

  
S R Chalkley  
Designated Member

Limited Liability Partnership Registration No. OC308530

# REDD SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

#### Limited liability partnership information

Redd Solicitors LLP is a limited liability partnership incorporated in England and Wales. The registered office is 22 Tudor Street, London, UK, EC4Y 0AY.

The limited liability partnerships's principal activities are disclosed in the Members' Report.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in January 2017, together 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 31 March 2017 are the first financial statements of Redd Solicitors LLP prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Turnover

Turnover is the total amount estimated to be receivable by the partnership for services rendered and disbursements charged to clients during the year, excluding VAT.

Turnover is recognised when a right to receive consideration has been obtained through performance under each contract and reflects the contract activity during the year having regard to the stage of completion of each contract and the relative uncertainty of predicting ultimate profitability on long term assignments. Revenue in respect of conditional or contingent fee engagements, which is over and above any agreed minimum fee, is recognised when the contingent event occurs.

Client disbursements incurred are deducted from turnover in arriving at net fees in the profit and loss account.

If, at the Balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the Balance sheet date are carried forward as work in progress.

# REDD SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 1.3 Members' participating interests

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

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

#### 1.4 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 the term of the lease
Fixtures, fittings & equipment	25% reducing balance
Other assets	No depreciation

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 recognised in the profit and loss account.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible 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 limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# REDD SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Financial instruments

The limited liability partnership 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 limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **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 limited liability partnership after deducting all of its 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.



# REDD SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### 1.7 Employee benefits

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

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 limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.8 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

#### 1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

#### 1.10 Members' remuneration

Drawings payments are made to members in instalments during the year on account of their profit shares. Profits are allocated between the members in accordance with agreed profit-sharing arrangements determined at the start of the year, with any unallocated profits included within members' other interests.

#### 1.11 Tax provisions

The taxation payable on the partnership profits is the personal liability of the members during the year, although payment of such liabilities is administered by the partnership on behalf of the members. Consequently, neither partnership taxation nor deferred taxation is accounted for in the financial statements.

### 2 Employees

The average number of persons (excluding members) employed by the partnership during the year was 19 (2016 - 17).

# REDD SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 3 Tangible fixed assets

	Leasehold improvement £	Plant and machinery etc £	Artwork £	Total £
<b>Cost</b>				
At 1 April 2016	178,262	167,985	5,115	351,362
Additions	-	1,303	-	1,303
At 31 March 2017	178,262	169,288	5,115	352,665
<b>Depreciation and impairment</b>				
At 1 April 2016	70,821	64,416	-	135,237
Depreciation charged in the year	42,976	25,990	-	68,966
At 31 March 2017	113,797	90,406	-	204,203
<b>Carrying amount</b>				
At 31 March 2017	64,465	78,882	5,115	148,462
At 31 March 2016	107,441	103,569	5,115	216,125

### 4 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	563,821	764,539
Other debtors	326,219	254,237
	890,040	1,018,776
<b>Total debtors</b>	890,040	1,018,776

### 5 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	45,870	117,264
Other taxation and social security	39,818	101,283
Other creditors	99,073	77,887
	184,761	296,434

# REDD SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 6 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	3,928	61,045

The hire purchase liabilities are secured against the assets to which they relate.

### 7 Loans and other debts due to members

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

### 8 Operating lease commitments

#### Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
Within one year	251,613	251,613
Between two and five years	365,955	617,568
In over five years	-	-
	617,568	869,181