

REGISTRAR

Registered number: OC309126

EMW LAW LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

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EMW LAW LLP

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EMW LAW LLP

INFORMATION

Designated Members

I Morris
I L Zant-Boer
J Vollans

LLP registered number

OC309126

Registered office

Seebeck House
1 Seebeck Place
Knowlhill
Milton Keynes
MK5 8FR

Independent auditors

MHA MacIntyre Hudson
Chartered Accountants
Moorgate House
201 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 1LZ

Bankers

Barclays Bank plc
4 Waterside Way
The Lakes
Bedford Road
Northampton
NN4 7XD

**MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

The members present their annual report together with the audited financial statements of EMW Law LLP (the "LLP and the Group") for the year ended 31 March 2016.

Principal activities

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

Improved trading conditions continued, with net revenue of £13M – an increase of a little under 11% from 2015. Profit margin was 32% - an increase of 4% from 2014/15.

The firm continues to look for ways to improve its profit margin without compromising on the quality of service that our clients have come to expect. Our strategy remains focussed on strengthening our balance sheet and looking for opportunities that will add to both our top line and our ability to grow profit margin.

We expect gross revenue to increase by a single digit percentage in the 2016/17 year, with a consistent level of profitability.

Designated Members

I Morris, I L Zant-Boer and J Vollans were designated members of the LLP and the Group throughout the period.

Members' capital and interests

Equity principals are required to subscribe a minimum level of capital and in subsequent years those principals may be required to subscribe for further capital, the amount of which is determined by the performance and seniority of those principals and is based on equity points awarded. The equity points awarded are decided at the end of the financial year, based on performance during the financial year, and will apply to the following financial year. An equity principal's points may be reduced which would give rise to a repayment of capital. On retirement, capital is repaid to equity principals over a period of time in accordance with the member's agreement.

Details of changes in members' capital in the year ended 31 March 2016 are set out in the Reconciliation of members' interests.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. Members draw a proportion of their profit shares monthly during the year in which it is made, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

Members' responsibilities statement

The members are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Company law, as applied to LLP's, requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLP's, the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the members are required to:

**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2016**

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Auditors

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006 as modified by the Limited Liability Partnerships Regulations 2008.

This report was approved by the members on 6 September 2016 and signed on their behalf by:



I Morris
Designated member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMW LAW LLP

We have audited the financial statements of EMW Law LLP for the year ended 31 March 2016, which comprise the Group Statement of comprehensive income, the Group and LLP Balance sheets, the Group Statement of cash flows and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the LLP's members in accordance with the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members and Auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent LLP's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Members' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

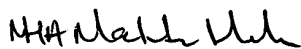
- give a true and fair view of the state of the Group's and the parent LLP's affairs as at 31 March 2016 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMW LAW LLP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP 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.



Steven Moore BA ACA (Senior statutory auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

Moorgate House
201 Silbury Boulevard
Milton Keynes
Buckinghamshire
MK9 1LZ

Date: 10 October 2016

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	2016 £	2015 £
Turnover	4	12,980,446	11,731,668
Administrative expenses		(9,127,807)	(8,675,022)
Other operating income	5	369,799	391,621
Operating profit	6	4,222,438	3,448,267
Interest receivable and similar income	11	65,064	147,984
Interest payable and expenses	12	(151,211)	(201,305)
Profit before tax		4,136,291	3,394,946
Tax on profit		-	(46,621)
Profit before members' remuneration and profit shares		4,136,291	3,348,325
Members' remuneration charged as an expense		(4,136,291)	(3,348,325)
Results for the year available for discretionary division among members		-	-

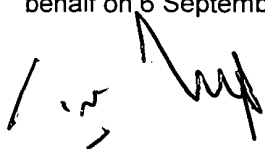
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Intangible assets	13		37,402		-
Tangible assets	15		667,342		812,770
Investments	16		78,787		60,722
			<u>783,531</u>		<u>873,492</u>
Current assets					
Work in progress	17	170,988		119,467	
Debtors: amounts falling due after more than one year	18	137,252		306,944	
Debtors: amounts falling due within one year	18	5,412,311		6,150,008	
Cash at bank and in hand	19	351,186		190,749	
			<u>6,071,737</u>	<u>6,767,168</u>	
Creditors: amounts falling due within one year	20	(3,045,865)		(3,861,527)	
Net current assets			<u>3,025,872</u>		<u>2,905,641</u>
Total assets less current liabilities			<u>3,809,403</u>		<u>3,779,133</u>
Creditors: amounts falling due after more than one year			<u>(740,508)</u>		<u>(958,518)</u>
Net assets attributable to members			<u><u>3,068,895</u></u>		<u><u>2,820,615</u></u>

CONSOLIDATED BALANCE SHEET (continued)
AS AT 31 MARCH 2016

	Note	2016 £	2015 £
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		2,609,375	2,648,761
Other amounts	23	459,520	171,854
		<u>3,068,895</u>	<u>2,820,615</u>
Total members' interests			
Amounts due from members (included in debtors)		-	(746,884)
Loans and other debtors due to members	23	3,068,895	2,820,615
		<u>3,068,895</u>	<u>2,073,731</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 6 September 2016.


I Morris
Designated member

The notes on pages 14 to 30 form part of these financial statements.

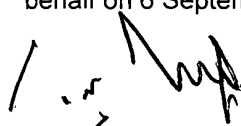
LLP BALANCE SHEET
AS AT 31 MARCH 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	13	37,402	-
Tangible assets	15	667,342	812,770
Investments	16	78,787	60,723
		<u>783,531</u>	<u>873,493</u>
Current assets			
Work in progress	17	170,988	119,467
Debtors: amounts falling due after more than one year	18	137,252	306,944
Debtors: amounts falling due within one year	18	5,412,311	6,429,009
Cash at bank and in hand	19	351,186	2,153
		<u>6,071,737</u>	<u>6,857,573</u>
Creditors: amounts falling due within one year	20	(3,045,865)	(3,951,933)
Net current assets		<u>3,025,872</u>	<u>2,905,640</u>
Total assets less current liabilities		<u>3,809,403</u>	<u>3,779,133</u>
Creditors: amounts falling due after more than one year		(740,508)	(958,518)
Net assets attributable to members		<u><u>3,068,895</u></u>	<u><u>2,820,615</u></u>

LLP BALANCE SHEET (continued)
AS AT 31 MARCH 2016

	Note	31 March 2016 £	31 March 2015 £
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		2,609,375	2,648,761
Other amounts		459,520	171,854
		<u>3,068,895</u>	<u>2,820,615</u>
Total members' interests			
Amounts due from members (included in debtors)	18	-	(1,027,644)
Loans and other debtors due to members		3,068,895	2,820,615
		<u>3,068,895</u>	<u>1,792,971</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 6 September 2016.


I Morris
Designated member

**CONSOLIDATED RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2016**

	Amounts due to and from members			Total members' interests
	Members' capital (classified as debt)	Other amounts	Total	Total
	£	£	£	£
Members' interests after profit for the year	2,050,000	(364,088)	1,685,912	1,685,912
Other division of profits	-	3,348,325	3,348,325	3,348,325
Amounts introduced by members	598,761	-	598,761	598,761
Drawings	-	(3,549,003)	(3,549,003)	(3,549,003)
Interest on capital	-	(10,266)	(10,266)	(10,266)
Amounts due to members	2,648,761	171,854	2,820,615	2,820,615
Amounts due from members	-	(746,886)	(746,886)	(746,886)
Balance at 31 March 2015	2,648,761	(575,032)	2,073,729	2,073,729
Members' interests after profit for the year	2,648,761	(575,032)	2,073,729	2,073,729
Other division of profits	-	4,136,291	4,136,291	4,136,291
Amounts introduced by members	554,372	795,208	1,349,580	1,349,580
Repayment of capital	(593,758)	-	(593,758)	(593,758)
Drawings	-	(3,897,076)	(3,897,076)	(3,897,076)
Interest on capital	-	129	129	129
Amounts due to members	2,609,375	459,520	3,068,895	3,068,895
Balance at 31 March 2016	2,609,375	459,520	3,068,895	3,068,895

**LLP RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2016**

	Amounts due to and from members			Total members' interests
	Members' capital (classified as debt)	Other amounts	Total	Total
	£	£	£	£
Members' interests after profit for the year	2,050,000	(457,834)	1,592,166	1,592,166
Other division of profits	-	3,161,313	3,161,313	3,161,313
Amounts introduced by members	598,761	-	598,761	598,761
Drawings	-	(3,549,003)	(3,549,003)	(3,549,003)
Interest on capital	-	(10,266)	(10,266)	(10,266)
Amounts due to members	2,648,761	171,854	2,820,615	2,820,615
Amounts due from members	-	(1,027,644)	(1,027,644)	(1,027,644)
Balance at 31 March 2015	2,648,761	(855,790)	1,792,971	1,792,971
Members' interests after profit for the year	2,648,761	(855,790)	1,792,971	1,792,971
Other division of profits	-	4,152,407	4,152,407	4,152,407
Amounts introduced by members	554,372	795,208	1,349,580	1,349,580
Repayment of capital	(593,758)	-	(593,758)	(593,758)
Drawings	-	(3,632,434)	(3,632,434)	(3,632,434)
Interest on capital	-	129	129	129
Amounts due to members	2,609,375	459,520	3,068,895	3,068,895
Balance at 31 March 2016	2,609,375	459,520	3,068,895	3,068,895

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2016**

	2016 £	2015 £
Cash flows from operating activities		
Profit for the financial year	4,136,291	3,348,325
Adjustments for:		
Amortisation of intangible assets	500	-
Depreciation of tangible assets	330,535	306,578
Loss on disposal of tangible assets	21,055	-
(Increase)/decrease in work in progress	(51,521)	98,054
Interest paid	151,211	201,305
Interest received	(65,064)	(147,984)
Decrease in debtors	158,744	1,973,482
Increase/(decrease) in creditors	199,593	(1,813,898)
Corporation tax	-	(33,838)
Net cash generated from operating activities	4,881,344	3,932,024
Cash flows from investing activities		
Purchase of intangible fixed assets	(37,902)	-
Purchase of tangible fixed assets	(206,161)	(296,159)
Purchase of unlisted investments	(18,065)	(59,122)
Interest received	65,064	147,984
Net cash from investing activities	(197,064)	(207,297)
Cash flows from financing activities		
Repayment of loans	(618,293)	(422,144)
Repayment of hire purchase	(85,081)	(82,162)
Interest paid	(151,211)	(201,305)
Amounts introduced by members	1,349,580	598,761
Amounts paid to members	(4,490,834)	(3,549,003)
Other transactions with members	129	(10,266)
Net cash used in financing activities	(3,995,710)	(3,666,119)
Net increase in cash and cash equivalents	688,570	58,608
Cash and cash equivalents at beginning of year	(339,142)	(397,750)
Cash and cash equivalents at the end of year	349,428	(339,142)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	351,186	190,749
Bank overdrafts	-	(529,891)
	351,186	(339,142)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

1. General information

EMW Law LLP is a Limited Liability Partnership incorporated in England.

The principal place of business is its registered office, in addition the entity trades from 1st Floor, 90 Chancery Lane, London, WC2A 1EU.

The principal activity of the business is described in the Members' report.

The financial statements are presented in Sterling, which is also the functional currency of the LLP.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

Information on the impact of first-time adoption of FRS 102 is given in note 29.

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of Group and its own subsidiaries ("the Group") as they formed a single entity. Intercompany transactions and balances between group entities are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.3 Revenue

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Fees receivable are recognised in the profit and loss account when a right to consideration has been obtained in exchange for performance of contractual obligations. Income is recorded at fair value of the right to consideration, including principal time, after deducting allowances for discounts, credit risk and other uncertainties relating to client's willingness to pay.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

The estimated useful lives range as follows:

Website	-	3 years
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2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

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

Depreciation is provided on the following basis:

Leasehold Property	- Over the period of the lease
Improvements	
Computer Equipment	- 10% - 33% per annum on cost

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other operating income' in the Consolidated statement of comprehensive income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.7 Work in progress

In all cases where the ability to recover unbilled fees is contingent, income will not be recognised. Instead, a fair proportion of the time spent will be recorded as work in progress for all matters.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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

2.10 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.10 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.13 Finance costs

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

2.14 Pensions

Defined contribution pension plan

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

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

2.15 Interest income

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

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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

In the application of the entities accounting policies, which are described in note 2, members are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available from other sources.

These estimates and assumption have been made based on historical experience and therefore the members acknowledge the risk that actual results may differ from these estimates. The estimation methods are reviewed on an ongoing basis.

The key areas where the effect of estimation uncertainty could have a significant future effect are the valuation of contracts. This includes valuation of work in progress, and also of amounts recoverable on contracts.

4. Analysis of turnover

All turnover arose within the United Kingdom.

5. Other operating income

	2016 £	2015 £
Management charges receivable	13,200	12,000
Rents receivable	326,030	329,808
Other operating income	30,569	49,813
	<u>369,799</u>	<u>391,621</u>

6. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets	238,397	214,440
Depreciation of tangible fixed assets held under hire purchase	92,138	92,138
Amortisation of intangible assets, including goodwill	500	-
Exchange differences	(8,132)	9,158
Defined contribution pension cost	141,150	179,529
	<u></u>	<u></u>

7. Auditors' remuneration

	2016 £	2015 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	13,000	13,000
	<u></u>	<u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

8. Employees

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	4,211,336	3,664,935
Social security costs	395,103	362,020
Other pension costs	141,150	179,529
	<u>4,747,589</u>	<u>4,206,484</u>

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

	2016	2015
	No.	No.
Fee earners	57	57
Support staff	38	38
Administrative staff	28	29
	<u>123</u>	<u>124</u>

9. Information in relation to members

	2016	2015
	No.	No.
The average number of members during the year was	<u>30</u>	<u>32</u>

The highest paid member received remuneration of £227,417 (2015 - £114,500).

10. Key management personnel

Total compensation paid to key management personnel in the year was £1,566,183 (2015 - £889,440).

11. Interest receivable

	2016	2015
	£	£
Other interest receivable	<u>65,064</u>	<u>147,984</u>
	<u>65,064</u>	<u>147,984</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

12. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	22,183	35,124
Interest to former members	16,777	16,378
Finance leases and hire purchase contracts	112,251	149,803
	151,211	201,305

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

13. Intangible assets**Group**

	Website £
Cost	
Additions	37,902
At 31 March 2016	<u>37,902</u>
Amortisation	
Charge for the year	500
At 31 March 2016	<u>500</u>
Net book value	
At 31 March 2016	<u>37,402</u>
At 31 March 2015	<u>-</u>
LLP	

	Website £
Cost	
Additions	37,902
At 31 March 2016	<u>37,902</u>
Amortisation	
Charge for the year	500
At 31 March 2016	<u>500</u>
Net book value	
At 31 March 2016	<u>37,402</u>
At 31 March 2015	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

14. Parent LLP Profit for the year

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent LLP for the year was £NIL (2015 - £NIL).

15. Tangible fixed assets

Group

	Leasehold Property Improvements £	Computer Equipment £	Total £
Cost or valuation			
At 1 April 2015	895,725	3,119,649	4,015,374
Additions	2,581	203,580	206,161
Disposals	(308,578)	(1,369,435)	(1,678,013)
At 31 March 2016	<u>589,728</u>	<u>1,953,794</u>	<u>2,543,522</u>
Depreciation			
At 1 April 2015	687,498	2,515,106	3,202,604
Charge owned for the period	52,488	278,047	330,535
Disposals	(308,549)	(1,348,410)	(1,656,959)
At 31 March 2016	<u>431,437</u>	<u>1,444,743</u>	<u>1,876,180</u>
Net book value			
At 31 March 2016	<u>158,291</u>	<u>509,051</u>	<u>667,342</u>
At 31 March 2015	<u>208,227</u>	<u>604,543</u>	<u>812,770</u>

Assets held under hire purchase

The net book value of assets held under finance leases or hire purchase contracts, included above within fixtures, fittings and equipment, is £94,228 (2015 - £186,366).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

15. Tangible fixed assets (continued)

LLP

	Leasehold Property Improvements £	Computer Equipment £	Total £
Cost or valuation			
At 1 April 2015	895,725	3,119,649	4,015,374
Additions	2,581	203,580	206,161
Disposals	(308,578)	(1,369,435)	(1,678,013)
At 31 March 2016	589,728	1,953,794	2,543,522
Depreciation			
At 1 April 2015	687,498	2,515,106	3,202,604
Charge owned for the period	52,488	278,047	330,535
Disposals	(308,549)	(1,348,410)	(1,656,959)
At 31 March 2016	431,437	1,444,743	1,876,180
At 31 March 2016	158,291	509,051	667,342
At 31 March 2015	208,227	604,543	812,770

Assets held under hire purchase

The net book value of assets held under finance leases or hire purchase contracts, included above within fixtures, fittings and equipment, is £94,228 (2015 - £186,366).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

16. Fixed asset investments**Group**

	Unlisted Investments £
Cost or valuation	
At 1 April 2015	60,722
Additions	18,065
At 31 March 2016	<u>78,787</u>
Net book value	
At 31 March 2016	<u>78,787</u>
At 31 March 2015	<u>60,722</u>

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Country of incorporation	Class of shares	Holding	Principal activity
EMW Legal Services Limited	United Kingdom	Ordinary shares	100 %	The principal activity of the company during the year was the provision of personnel

EMW Legal Services Limited was dissolved on 11 June 2016. As such the investment has been written off.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

16. Fixed asset investments (continued)

LLP

	Investments in Subsidiary Companies £	Unlisted Investments £	Total £
Cost or valuation			
At 1 April 2015	2,001	60,722	62,723
Additions	-	18,065	18,065
Amounts written off	(2,001)	-	(2,001)
At 31 March 2016	-	78,787	78,787
At 1 April 2015	2,000	-	2,000
Impairment on disposals	(2,000)	-	(2,000)
At 31 March 2016	-	-	-
Net book value			
At 31 March 2016	-	78,787	78,787
At 31 March 2015	1	60,722	60,723

17. Work in progress

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Contingent work in progress	170,988	119,467	170,988	119,467

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

18. Debtors

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Due after more than one year				
Amounts due from former members	137,252	306,944	137,252	306,944
	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Due within one year				
Trade debtors	1,980,169	2,002,628	1,980,169	2,002,628
Other debtors	9,457	81,171	9,457	81,171
Amounts due from former members	160,864	114,708	160,865	114,710
Prepayments and accrued income	873,622	987,394	873,622	987,394
Amounts recoverable on contracts	2,388,199	2,215,462	2,388,199	2,215,462
Tax recoverable	-	1,759	-	-
Amounts due from members	-	746,886	-	1,027,644
	5,412,311	6,150,008	5,412,312	6,429,009

19. Cash and cash equivalents

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Cash at bank and in hand	351,186	190,749	351,186	2,153
Less: bank overdrafts	-	(529,891)	-	(529,891)
	351,186	(339,142)	351,186	(527,738)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

20. Creditors: Amounts falling due within one year

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Bank overdrafts	-	529,891	-	529,891
Bank loans	526,153	922,006	526,153	922,006
Trade creditors	588,187	721,836	588,187	721,836
Amounts owed to group undertakings	-	-	-	201,283
Amounts owed related parties	-	187,728	-	187,728
Taxation and social security	658,727	537,939	658,727	439,826
Obligations under finance lease and hire purchase contracts	12,760	85,081	12,760	85,081
Other creditors	328,626	238,455	328,624	237,453
Accruals and deferred income	931,412	638,591	931,414	626,829
	<u>3,045,865</u>	<u>3,861,527</u>	<u>3,045,865</u>	<u>3,951,933</u>

The bank loans of £526,153 (2015 - £922,006) are secured by a fixed and floating charge over the assets of the firm.

Some of the former members took out personal loans to finance their capital injection into the firm. The firm has provided an undertaking to the bank in respect of these loans up to a maximum of £550,000.

The hire purchase and finance lease agreements are secured on the assets to which they relate.

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

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Bank loans	511,100	733,540	511,100	733,540
Net obligations under finance leases and hire purchase contracts	-	12,760	-	12,760
Amounts owed to former members	201,494	187,218	201,494	187,218
Accruals and deferred income	27,914	25,000	27,914	25,000
	<u>740,508</u>	<u>958,518</u>	<u>740,508</u>	<u>958,518</u>

The bank loans of £511,100 (2015 - £733,540) are secured by a fixed and floating charge over the assets of the firm.

Some of the former members took out personal loans to finance their capital injection into the firm. The firm has provided an undertaking to the bank in respect of these loans up to a maximum of £550,000.

The hire purchase and finance lease agreements are secured on the assets to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

22. Loans

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Amounts falling due within one year				
Bank loans	<u>526,153</u>	<u>922,006</u>	<u>526,153</u>	<u>922,006</u>
Amounts falling due greater than one year				
Bank loans	<u>511,100</u>	<u>733,540</u>	<u>511,100</u>	<u>733,540</u>

23. Loans and other debts due to members

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Members capital treated as debt	(2,609,375)	(2,648,761)	(2,609,375)	(2,648,761)
Amounts due to members	<u>(459,520)</u>	<u>(171,854)</u>	<u>(459,520)</u>	<u>(171,854)</u>
	<u><u>(3,068,895)</u></u>	<u><u>(2,820,615)</u></u>	<u><u>(3,068,895)</u></u>	<u><u>(2,820,615)</u></u>

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

24. Financial instruments

All financial assets and liabilities are measured at amortised cost.

25. Capital commitments

At 31 March 2016 the Group and LLP had capital commitments as follows:

	Group 2016 £	LLP 2016 £
Contracted for but not provided in these financial statements	<u>21,628</u>	<u>21,628</u>

26. Pension commitments

The firm operates a defined contribution scheme for employees. During the year the firm paid contributions of £141,150 (2015: £179,529). Total accrued contributions at the year end amounted to £300 (2015: £nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

27. Commitments under operating leases

At 31 March 2016 the Group and the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Land and buildings				
Not later than 1 year	480,608	867,040	480,608	867,040
Later than 1 year and not later than 5 years	3,535,366	3,224,160	3,224,160	3,111,970
Later than 5 years	8,220,657	5,105,733	8,220,657	5,105,733
Total	12,236,631	9,196,933	11,925,425	9,084,743
	Group 2016 £	Group 2015 £	LLP 2016 £	LLP 2015 £
Other				
Not later than 1 year	40,756	36,514	40,756	36,514
Later than 1 year and not later than 5 years	54,450	82,156	54,450	82,156
Total	95,206	118,670	95,206	118,670

28. Related party transactions

The LLP has taken advantage of the exemption conferred by the FRS 102 not to disclose transactions with members of the group headed by EMW Law LLP on the grounds that 100% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

Greenfield (MK) LLP, a firm with common membership to EMW Law LLP, leases offices in Milton Keynes to EMW Law LLP under the terms of a lease dated 4th August 2006. Rent payable to Greenfield (MK) LLP during the year was £587,059 (2015: £617,600). Management charges receivable from Greenfield (MK) LLP were £13,200 (2015: £12,000). During the year, EMW Law LLP charged Greenfield (MK) LLP £3,251 (2015: £2,946) in relation to professional fees. Interest of £nil (2015: £6,630) was charged to EMW Law LLP in the year by Greenfield (MK) LLP on balances outstanding.

The amount owed to Greenfield (MK) LLP at the balance sheet date was £nil (2015: £185,351).

29. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.