

# REGISTRAR

Registered number: OC309126

**EMW LAW LLP**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

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**EMW LAW LLP**

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**INFORMATION**

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**Designated Members**

I Morris J Vollans N Lloyd

**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

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**EMW LAW LLP**

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## **EMW LAW LLP**

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### **MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2022**

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The Members present their annual report together with the audited financial statements of EMW Law LLP (the "LLP") for the year ended 31 March 2022.

#### **Principal activities and business review**

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

Net revenue increased by 12% in the year as the economy recovered from the impact of the COVID pandemic which was in line with budgeted fee income. The margin however deteriorated from 26% in 2020/21 to 21% (which was an underperformance against budget) predominantly as a result of a high level of investment in senior people throughout the year but also a more aggressive approach to work in progress management. It is envisaged that 2022/23 will see the margin recover as people establish themselves within the practice and client base.

The year also saw substantial investment in the largest office space as it was refurbished before the main return to the office. It is now fit for purpose for the ongoing hybrid working model – releasing office space that the business is in the process of sub-letting.

#### **Designated Members**

I Morris, J Vollans and N Lloyd were designated members of the LLP 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 2022 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' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Members' responsibilities statement**

The Members are responsible for preparing the annual report and 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 by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the Members to prepare financial statements for each financial year. Under that law the Members has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period.

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

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

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

**Disclosure of information to auditors**

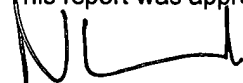
The Members at the time when this Members' Report is approved has confirmed that:

- so far as that Member is aware, there is no relevant audit information of which the LLP's 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 LLP's auditors are aware of that information.

**Auditors**

The auditors, MHA MacIntyre Hudson, have indicated their willingness to continue in office. The Designated Members will propose a motion re-appointing the auditors at a meeting of the Members.

This report was approved by the Members and signed on their behalf by:



**N Lloyd**  
Designated Member

Date: 09-08-2022

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMW LAW LLP**

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**Opinion**

We have audited the financial statements of EMW Law LLP (the 'LLP') for the year ended 31 March 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Reconciliation of Members' Interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 31 March 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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 LLP'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 Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMW LAW LLP (CONTINUED)**

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inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

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

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

**Responsibilities of members**

As explained more fully in the Members' Responsibilities Statement set out on page 1, the members' is 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' determines 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' is responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members' either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMW LAW LLP (CONTINUED)

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**Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- enquiry of management and those charged with governance around actual and potential litigation and claims;
- enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reviewing minutes of meetings of those charged with governance;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

**Use of our report**

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



Steven Moore BA ACA (Senior Statutory Auditor)  
for and on behalf of  
**MHA MacIntyre Hudson**  
Chartered Accountants  
Statutory Auditors  
Milton Keynes  
Date: 19.8.22



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**EMW LAW LLP**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

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	Note	2022 £	2021 £
Turnover	4	13,981,742	12,523,642
<b>Gross profit</b>		<b>13,981,742</b>	<b>12,523,642</b>
Administrative expenses		(11,638,483)	(10,104,430)
Other operating income	5	656,178	976,783
<b>Operating profit</b>		<b>2,999,437</b>	<b>3,395,995</b>
Interest receivable and similar income	10	8,857	14,220
Interest payable and similar expenses	11	(108,440)	(126,098)
<b>Profit before tax</b>		<b>2,899,854</b>	<b>3,284,117</b>
<b>Profit for the year before members' remuneration and profit shares</b>		<b>2,899,854</b>	<b>3,284,117</b>
Profit for the year before members' remuneration and profit shares		2,899,854	3,284,117
Members' remuneration charged as an expense		(2,899,854)	(3,284,117)
<b>Results for the year available for discretionary division among members</b>		<b>-</b>	<b>-</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 12 to 26 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2022

	Note	2022 £	2022 £	As restated 2021 £	As restated 2021 £
<b>Fixed assets</b>					
Intangible assets	12		624,163		647,873
Tangible assets	13		1,142,918		696,513
Investments	14		201,600		201,600
			<u>1,968,681</u>		<u>1,545,986</u>
<b>Current assets</b>					
Stocks	15	93,985		104,725	
Debtors: amounts falling due after more than one year	16	810,596		706,703	
Debtors: amounts falling due within one year	16	6,153,623		5,705,967	
Cash at bank and in hand	17	127,310		1,234,389	
			<u>7,185,514</u>	<u>7,751,784</u>	
Creditors: amounts falling due within one year	18	(4,481,865)		(3,632,372)	
<b>Net current assets</b>			<u>2,703,649</u>		<u>4,119,412</u>
<b>Total assets less current liabilities</b>			<u>4,672,330</u>		<u>5,665,398</u>
Creditors: amounts falling due after more than one year	19		(1,172,510)		(1,594,914)
<b>Net assets</b>			<u><u>3,499,820</u></u>		<u><u>4,070,484</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT 31 MARCH 2022

	Note	2022 £	2022 £	As restated 2021 £	As restated 2021 £
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Members' capital classified as a liability	22		3,367,849		3,725,517
Other amounts	22		131,971		344,967
			<u>3,499,820</u>		<u>4,070,484</u>
			<u>3,499,820</u>		<u>4,070,484</u>
<b>Total members' interests</b>					
Amounts due from members (included in debtors)	16		(257,286)		(137,168)
Loans and other debts due to members	22		3,499,820		4,070,484
			<u>3,242,534</u>		<u>3,933,316</u>

The financial statements were approved and authorised for issue by the Members and were signed on their behalf by:



N Lloyd  
Designated Member

Date: 09-08-2022

The notes on pages 12 to 26 form part of these financial statements.

EMW Law LLP has no equity and, in accordance with the provisions contained within the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", has not presented a Statement of Changes in Equity.

**RECONCILIATION OF MEMBERS' INTERESTS  
FOR THE YEAR ENDED 31 MARCH 2022**

	<b>DEBT</b>		
	<b>Loans and other debts due to members less any amounts due from members in debtors</b>		
	<b>Members' capital</b>	<b>Other amounts</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Members' interests after profit for the year</b>	<b>3,755,350</b>	<b>(599,413)</b>	<b>3,155,937</b>
Other division of profits	-	3,281,668	3,281,668
Amounts introduced by members	285,000	40,996	325,996
Repayment of capital	(314,833)	-	(314,833)
Drawings	-	(2,519,946)	(2,519,946)
Interest on capital	-	4,494	4,494
	<hr/>	<hr/>	<hr/>
Amounts due to members	3,725,517	344,967	4,070,484
Amounts due from members		(137,168)	(137,168)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2021</b>	<b>3,725,517</b>	<b>207,799</b>	<b>3,933,316</b>
	<hr/>	<hr/>	<hr/>
<b>Members' interests after profit for the year</b>	<b>3,725,517</b>	<b>207,799</b>	<b>3,933,316</b>
	<hr/>	<hr/>	<hr/>
Other division of profits	-	2,899,854	2,899,854
Amounts introduced by members	299,000	40,000	339,000
Repayment of capital	(656,668)	-	(656,668)
Drawings	-	(3,276,990)	(3,276,990)
Interest on capital	-	4,022	4,022
	<hr/>	<hr/>	<hr/>
Amounts due to members	3,367,849	131,971	3,499,820
Amounts due from members		(257,286)	(257,286)
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2022</b>	<b>3,367,849</b>	<b>(125,315)</b>	<b>3,242,534</b>
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There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

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**EMW LAW LLP**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2022**

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	2022 £	2021 £
Profit for the financial year	-	-
<b>Adjustments for:</b>		
Members' remuneration charged as an expense	2,899,854	3,284,117
Amortisation of intangible assets	68,849	66,042
Depreciation of tangible assets	283,645	235,892
Loss on disposal of tangible assets	885	-
Interest paid	108,440	126,098
Interest received	(8,857)	(14,220)
Decrease/(increase) in stocks	10,740	(9,325)
(Increase)/decrease in debtors	(431,431)	521,608
(Increase)/decrease in amounts owed by related parties	-	(135,634)
Increase in creditors	25,606	374,746
<b>Net cash generated from operating activities before transactions with members</b>	<b>2,957,731</b>	<b>4,449,324</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(45,139)	(220,797)
Purchase of tangible fixed assets	(500,789)	(216,405)
Purchase of unlisted and other investments	-	(86,683)
Interest received	8,857	14,220
<b>Net cash from investing activities</b>	<b>(537,071)</b>	<b>(509,665)</b>
<b>Cash flows from financing activities</b>		
New secured loans	880,557	1,054,938
Repayment of loans	(961,158)	(611,236)
Repayment of finance leases	(44,404)	(28,762)
Interest paid	(108,440)	(126,098)
Amounts introduced by members	339,000	325,996
Distribution paid to members	(3,933,658)	(2,834,779)
Other transactions with members	4,022	4,495
<b>Net cash used in financing activities</b>	<b>(3,824,081)</b>	<b>(2,215,446)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,403,421)</b>	<b>1,724,213</b>
Cash and cash equivalents at beginning of year	1,234,389	(489,824)
<b>Cash and cash equivalents at the end of year</b>	<b>(169,032)</b>	<b>1,234,389</b>

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**EMW LAW LLP**

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**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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	2022 £	2021 £
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	127,310	1,234,389
Bank overdrafts	(296,342)	-
	<u>(169,032)</u>	<u>1,234,389</u>

The notes on pages 12 to 26 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**1. General information**

EMW Law LLP is a Limited Liability Partnership incorporated and registered 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 and St John's House, 3rd Floor, Haslett Ave West, Crawley, RH10 1HS.

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, rounded to the nearest whole number.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

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

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

The following principal accounting policies have been applied:

**2.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP 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 LLP 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 Statement of comprehensive income 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.3 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 ten years.

Amortisation is charged on a straight line basis to admin expenses in the Statement of comprehensive income.

The estimated useful lives range as follows:

Website	-	3	years
Software	-	10	years

Software costs are not yet being amortised as the software is still being developed, amortisation will commence once the software is in use.

**2.4 Tangible fixed assets**

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

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:

Longterm leasehold property improvements	- Over the period of the lease
Computer equipment	- 10% - 33%

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.5 Valuation of investments**

Investments in unlisted LLP shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.6 Work in progress**

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

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. 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 Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management.

**2.8 Financial instruments**

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

**2.9 Foreign currency translation**

**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'.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.10 Finance costs**

Finance costs are charged to profit or loss 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.

**2.11 Pensions**

**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the LLP in independently administered funds.

**3. Judgements 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 area 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. Turnover**

The whole of the turnover is attributable to the principal activity of the LLP and arose within the United Kingdom.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**5. Other operating income**

	2022 £	2021 £
Furlough grants received	-	679,376
Net rents receivable	273,527	248,923
Insurance claims receivable	330,957	9,341
Sundry income	51,694	39,143
	<u>656,178</u>	<u>976,783</u>

**6. Auditors' remuneration**

	2022 £	2021 £
Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements	<u>19,000</u>	<u>18,000</u>

**7. Employees**

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	5,515,883	5,078,134
Social security costs	520,202	483,790
Cost of defined contribution scheme	244,755	225,822
	<u>6,280,840</u>	<u>5,787,746</u>

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

	2022 No.	2021 No.
Fee earners	75	72
Support staff	15	18
Administrative staff	35	40
	<u>125</u>	<u>130</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**8. Information in relation to members**

	<b>2022 Number</b>	<b>2021 Number</b>
The average number of members during the year was	<b>24</b>	<b>27</b>
	<b>2022 £</b>	<b>2021 £</b>
The average members remuneration during the year was	<b>120,827</b>	<b>121,634</b>
Paid under employment contract	<b>1,412,570</b>	<b>1,442,430</b>
Paid under the terms of the LLP agreement	<b>1,487,283</b>	<b>1,841,687</b>
	<b>2,899,853</b>	<b>3,284,117</b>
The amount of profit attributable to the member with the largest entitlement was	<b>139,357</b>	<b>161,776</b>

**9. Key management personnel**

Total compensation paid to key management personnel in the year was £999,855 (2021: £983,658).

**10. Interest receivable**

	<b>2022 £</b>	<b>2021 £</b>
Other interest receivable	<b>8,857</b>	<b>14,220</b>

**11. Interest payable**

	<b>2022 £</b>	<b>2021 £</b>
Bank interest payable	<b>14,482</b>	<b>32,708</b>
Other loan interest payable	<b>93,958</b>	<b>93,390</b>
	<b>108,440</b>	<b>126,098</b>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**12. Intangible assets**

	Software £	Website £	Total £
<b>Cost</b>			
At 1 April 2021	712,283	88,511	800,794
Additions	45,139	-	45,139
At 31 March 2022	757,422	88,511	845,933
<b>Amortisation</b>			
At 1 April 2021	64,410	88,511	152,921
Charge for the year on owned assets	68,849	-	68,849
At 31 March 2022	133,259	88,511	221,770
<b>Net book value</b>			
At 31 March 2022	624,163	-	624,163
At 31 March 2021	647,873	-	647,873

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**13. Tangible fixed assets**

	Long-term leasehold property £	Computer equipment £	Total £
<b>Cost</b>			
At 1 April 2021	764,037	2,497,708	3,261,745
Additions	470,052	260,884	730,936
Disposals	-	(437,266)	(437,266)
At 31 March 2022	1,234,089	2,321,326	3,555,415
<b>Depreciation</b>			
At 1 April 2021	442,424	2,122,808	2,565,232
Charge for the year on owned assets	101,316	128,996	230,312
Charge for the year on financed assets	-	53,333	53,333
Disposals	-	(436,380)	(436,380)
At 31 March 2022	543,740	1,868,757	2,412,497
<b>Net book value</b>			
At 31 March 2022	690,349	452,569	1,142,918
At 31 March 2021	321,613	374,900	696,513

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Computer equipment	47,086	23,091
Software (included within intangibles)	216,222	52,971
	263,308	76,062

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**14. Fixed asset investments**

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2021	201,600
At 31 March 2022	<u>201,600</u>

**15. Work in progress**

	2022 £	2021 £
Long term contract balances	<u>93,985</u>	<u>104,725</u>

**16. Debtors**

	2022 £	2021 £
<b>Due after more than one year</b>		
Other debtors	<u>810,596</u>	<u>706,703</u>
<b>Due within one year</b>		
Trade debtors	1,823,857	1,738,956
Other debtors	235,565	156,221
Prepayments and accrued income	1,123,996	898,182
Amounts recoverable on long term contracts	2,712,919	2,775,440
Amounts due from members	257,286	137,168
	<u>6,153,623</u>	<u>5,705,967</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**17. Cash and cash equivalents**

	2022 £	2021 £
Cash at bank and in hand	127,310	1,234,389
Less: bank overdrafts	(296,342)	-
	<u>(169,032)</u>	<u>1,234,389</u>

**18. Creditors: Amounts falling due within one year**

	2022 £	As restated 2021 £
Bank overdrafts	296,342	-
Bank loans	1,310,984	639,203
Trade creditors	833,758	600,930
Other taxation and social security	770,334	1,264,956
Obligations under finance lease and hire purchase contracts	54,138	13,683
Other creditors	149,080	28,822
Accruals and deferred income	1,067,229	1,084,778
	<u>4,481,865</u>	<u>3,632,372</u>

The bank loans of £1,310,984 (2021: £639,203) are secured by a fixed and floating charge over the assets of the LLP.

The obligations under hire purchase contracts are secured against the assets to which they relate.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**19. Creditors: Amounts falling due after more than one year**

	<b>2022</b>	<b>As restated 2021</b>
	<b>£</b>	<b>£</b>
Bank loans	<b>774,192</b>	<b>1,526,574</b>
Net obligations under finance leases and hire purchase contracts	<b>146,961</b>	<b>1,673</b>
Other creditors	<b>251,357</b>	<b>66,667</b>
	<b><u>1,172,510</u></b>	<b><u>1,594,914</u></b>

The bank loans of £774,192 (2021: £1,526,574) are secured by a fixed and floating charge over the assets of the LLP.

The obligations under hire purchase contracts are secured against the assets to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**20. Loans**

Analysis of the maturity of loans is given below:

	2022 £	As restated 2021 £
<b>Amounts falling due within one year</b>		
Bank loans	1,310,984	639,203
<b>Amounts falling due 1-2 years</b>		
Bank loans	613,713	1,054,290
<b>Amounts falling due 2-5 years</b>		
Bank loans	160,479	472,284
	<u>2,085,176</u>	<u>2,165,777</u>

Included within the above are several loans, with interest rates and maturity payments as follows:

**Barclays Loans**

Loan outstanding of £332,597 (2021: £470,000)

Repayments are to be made quarterly over the next 20 months

Interest is accruing at 2.150% above the Bank of England Base Rate

Loan outstanding of £494,350 (2021: £654,692)

Repayments are to be made monthly over the next 35 months

Interest is accruing at 2.750% above the Bank of England Base Rate

Loan outstanding of £700,000 (2021: £800,000)

Repayments are to be made monthly over the next 21 months

Interest is accruing at 3.050% above the Bank of England Base Rate

**Metrobank Loan**

Loan outstanding of £338,913 (2021: £241,085)

Repayments are to be made monthly over the next 4 months

Interest is accruing at a fixed rate of 1.390% (2021: 2.647%)

**Wesleyan Bank (Premium Credit Finance)**

Loan outstanding of £219,316 (2021: £nil)

Repayments are to be made monthly over the next 7 months

Interest is accruing at a fixed rate of 2.000%

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**


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**21. Analysis of Net Debt**

	At 1 April 2021 £	Arising from cash flows £	New finance leases £	At 31 March 2022 £
Cash at bank and in hand	1,234,389	(1,107,079)	-	127,310
Bank overdrafts	-	(296,342)	-	(296,342)
Borrowings due within 1 year	(639,203)	(471,781)	-	(1,110,984)
Borrowings due after 1 year	(1,526,574)	552,382	-	(974,192)
Finance leases	(15,356)	53,469	(239,212)	(201,099)
Net debt (before members' debt)	(946,744)	(1,269,351)	(239,212)	(2,455,307)
<i>Loans and other debts due to members</i>				
Members' capital	(3,725,517)	357,668	-	(3,367,849)
Other amounts due from members	(344,967)	212,996	-	(131,971)
	<u>(5,017,228)</u>	<u>(698,687)</u>	<u>(239,212)</u>	<u>(5,955,127)</u>

**22. Loans and other debts due to members**

	2022 £	2021 £
Members' capital treated as debt	(3,367,849)	(3,725,517)
Other amounts due to members	(131,971)	(344,967)
	<u>(3,499,820)</u>	<u>(4,070,484)</u>

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

	2022 £	2021 £
Falling due within one year	(3,499,820)	(4,070,484)
	<u>(3,499,820)</u>	<u>(4,070,484)</u>

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

There are no restrictions or limitations on the ability of members to reduce the amount of members' other interests

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FOR THE YEAR ENDED 31 MARCH 2022**

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**23. Prior year adjustment**

The comparatives for creditors falling due after more than one year (note 18) have been restated by a decrease of £300,000 and the comparatives for creditors falling due within one year (note 17) have been restated by an increase of £300,000. The loan maturity note (note 19) has also been restated to reflect the restatements noted above.

This was adjusted to reflect bank loans due. There was no impact on retained profits.

**24. Capital commitments**

At 31 March 2022 the LLP had capital commitments as follows:

	2022 £	2021 £
Contracted for but not provided in these financial statements	<u>81,356</u>	<u>295,520</u>

**25. Pension commitments**

The LLP operates a defined contribution scheme for employees. During the year the LLP paid contributions of £244,755 (2021: £225,822). Pensions contributions outstanding at the year end amounted to £567 (2021: £625).

**26. Commitments under operating leases**

At 31 March 2022 the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	1,239,752	1,202,230
Later than 1 year and not later than 5 years	4,704,183	3,839,113
Later than 5 years	2,353,905	4,121,439
	<u>8,297,840</u>	<u>9,162,782</u>

Lease costs of £995,367 (2021: £1,119,911 ) were recognised as an expense in the year.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**27. Related party transactions**

**EMW Leamington Limited**

At the year end there was a loan balance of £750,000 outstanding from EMW Leamington Limited, a company under common control, (2021: £750,000). This balance is unsecured.

Interest is accruing on the loan balance at 2.750% per annum above the floating rate, this amounted to £21,470 (2021: £nil).

During the year an additional £65,000 was advanced to EMW Leamington Limited which was subsequently repaid in December 2021.

Other income received from EMW Leamington Limited during the year amounted to £11,802 (2021: £nil)

**EMW Group Limited**

During the year, professional services were provided to EMW Group Limited, a Company under common control. Services amounted to £4,500 (2021: £8,666)

Balances outstanding at the year end amounted to £nil (2021: £10,399) which are included in trade debtors.