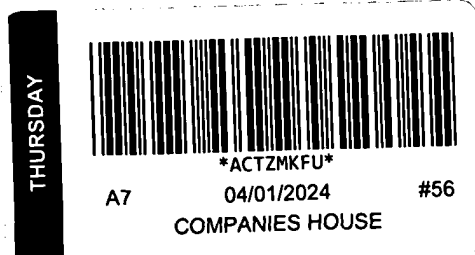


Registered number: OC309126

EMW LAW LLP

**AMENDED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**



EMW LAW LLP

INFORMATION

Designated Members

J Geary
N Lloyd
J Vollans

LLP registered number

OC309126

Registered office

Seebeck House
1 Seebeck Place
Knowlhill
Milton Keynes
MK5 8FR

Independent auditors

MHA
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

EMW LAW LLP

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EMW LAW LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Members present their annual report together with the audited financial statements of EMW Law LLP (the "firm") for the year ended 31 March 2023.

Principal activities

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

Net revenue grew by 5% in the year which was slightly behind budgeted fee income. However, in the same period, the margin delivered was 23.5% (compared to 19% in 2021/22) as the investment in aggressive work-in-progress management started to deliver returns and senior lateral hires started to embed themselves in the practice. The firm also sublet a significant proportion of its vacant space in Milton Keynes. The upcoming year will see the firm build on these foundations, and further drive efficiencies through the business as well as invest in organic and acquisitive growth across the firm's geography.

Designated Members

J Geary, N Lloyd and J Vollans were designated members of the firm 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 2023 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 annual report and the financial statements in accordance with applicable law and regulations.

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 have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (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;

EMW LAW LLP

**MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

- 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 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 them 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). They are 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

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 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

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

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



N Lloyd
Designated Member

Date: 17-11-2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EMW LAW LLP

Opinion

We have audited the financial statements of EMW Law LLP (the 'LLP') for the year ended 31 March 2023, which comprise the Statement of Comprehensive Income, the Balance Sheet, 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 2023 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.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Members are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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. This description forms part of our Auditors' Report.

EMW LAW LLP

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

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
Statutory Auditors
Milton Keynes, United Kingdom

Date: 17-11-2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	As restated 2022 £
Turnover		14,677,975	13,981,742
Gross profit		14,677,975	13,981,742
Administrative expenses		(11,892,604)	(11,845,058)
Other operating income	5	538,957	656,178
Operating profit		3,324,328	2,792,862
Interest receivable and similar income	10	360,425	8,857
Interest payable and similar expenses	11	(231,283)	(108,440)
Profit before tax		3,453,470	2,693,279
Profit for the year before members' remuneration and profit shares		3,453,470	2,693,279
Profit for the year before members' remuneration and profit shares		3,453,470	2,693,279
Members' remuneration charged as an expense		(3,453,470)	(2,693,279)
Results for the year available for discretionary division among members		-	-

There were no recognised gains and losses for 2023 or 2022 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2023(2022:£NIL).

The notes on pages 13 to 26 form part of these financial statements.


**BALANCE SHEET
AS AT 31 MARCH 2023**

	Note	2023 £	2023 £	As restated 2022 £	As restated 2022 £
Fixed assets					
Intangible assets	12		603,501		624,163
Tangible assets	13		995,292		1,142,918
Investments	14		200,000		201,600
			<u>1,798,793</u>		<u>1,968,681</u>
Current assets					
Work in progress	15	153,336		93,985	
Debtors due within 1 year		6,023,043		6,097,156	
Debtors due after more than 1 year		1,020,000		810,596	
Cash at bank and in hand	17	12,915		127,310	
		<u>7,209,294</u>		<u>7,129,047</u>	
Creditors: Amounts Falling Due Within One Year	18	(4,864,082)		(4,533,640)	
Net current assets			<u>2,345,212</u>		<u>2,595,407</u>
Total assets less current liabilities			<u>4,144,005</u>		<u>4,564,088</u>
Creditors: amounts falling due after more than one year	19		(723,447)		(1,172,510)
Net assets			<u><u>3,420,558</u></u>		<u><u>3,391,578</u></u>

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2023 £	As restated 2022 £	As restated 2022 £
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability			3,168,250		3,367,849
Other amounts	21		252,308		23,729
			<u>3,420,558</u>		<u>3,391,578</u>
Total members' interests					
Amounts due from members (included in debtors)			-		(257,286)
Loans and other debts due to members	21		3,420,558		3,391,578
			<u>3,420,558</u>		<u>3,134,292</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: 17-11-2023

The notes on pages 13 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.

EMW LAW LLP

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2023**

	DEBT Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital (classified as debt) £	Other amounts £	Total £
Prior year adjustment	-	(215,226)	(215,226)
Balance at 1 April 2021 (as restated)	3,725,517	(7,427)	3,718,090
Members' interests after profit for the year	3,725,517	(7,427)	3,718,090
Other division of profits	-	2,693,279	2,693,279
Amounts introduced by members	299,000	40,000	339,000
Repayment of capital	(656,668)	-	(656,668)
Drawings on account and distribution of profit	-	(3,276,990)	(3,276,990)
Interest on capital	-	4,022	4,022
Amounts due to members	3,367,849	23,729	3,391,578
Amounts due from members		(570,845)	(570,845)
Balance at 31 March 2022	3,367,849	(483,000)	2,884,849
Prior year adjustment	-	(206,576)	(206,576)
Balance at 31 March 2022 (as restated)	3,367,849	(689,576)	2,678,273
Members' interests after profit for the year	3,367,849	(689,576)	2,678,273
Other division of profits	-	3,453,470	3,453,470
Amounts introduced by members	306,000	-	306,000
Repayment of capital	(135,599)	-	(135,599)
Conversion of members' capital to debt	(370,000)	-	(370,000)
Drawings on account and distribution of profit	-	(2,698,541)	(2,698,541)
Interest on capital	-	44,496	44,496
Amounts due to members	3,168,250	252,308	3,420,558
Amounts due from members		(142,459)	(142,459)
Balance at 31 March 2023	3,168,250	109,849	3,278,099

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.

EMW LAW LLP

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	As restated 2022 £
Profit for the financial year	-	-
Adjustments for:		
Members' remuneration charged as an expense	3,453,470	2,693,279
Amortisation of intangible assets	77,995	68,849
Depreciation of tangible assets	253,633	283,645
Loss on disposal of tangible assets	2,704	885
Interest paid	231,283	108,440
Interest received	(360,425)	(8,857)
(Increase)/decrease in work in progress	(59,351)	10,740
(Increase) in debtors	(563,677)	(233,495)
Increase in creditors	181,699	34,245
Net cash generated from operating activities before transactions with members	3,217,331	2,957,731
Cash flows from investing activities		
Purchase of intangible fixed assets	(57,333)	(45,139)
Purchase of tangible fixed assets	(107,115)	(730,936)
Sale of tangible fixed assets	(1,596)	-
Sale of unlisted and other investments	1,600	-
Interest received	360,425	8,857
Net cash from investing activities	195,981	(767,218)
Cash flows from financing activities		
Repayment of loans	(459,133)	(80,601)
Repayment of finance leases	(54,138)	185,743
Interest paid	(231,283)	(108,440)
Amounts introduced by members	306,000	339,000
Distribution paid to members	(3,302,104)	(3,933,658)
Other transactions with members	-	4,022
Net cash used in financing activities	(3,740,658)	(3,593,934)
Net (decrease) in cash and cash equivalents	(327,346)	(1,403,421)
Cash and cash equivalents at beginning of year	(169,032)	1,234,389
Cash and cash equivalents at the end of year	(496,378)	(169,032)

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	As restated 2022 £
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	12,915	127,310
Bank overdrafts	(509,293)	(296,342)
	<u>(496,378)</u>	<u>(169,032)</u>

The notes on pages 13 to 26 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 judgment 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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.

The estimated useful lives range as follows:

Website	-	3	years
Software	-	10	years

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:

Long-term leasehold property	- 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 balance sheet 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

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 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.

2.9 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 profit or loss 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 profit or loss within 'other operating income'.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

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 Balance Sheet. The assets of the plan are held separately from the LLP in independently administered funds.

2.12 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.

2.13 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.

2.14 Transfer of members' interests

During the year £(370,000) was transferred from members' capital interests to debts due to members.

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 assumptions have been made on historical experience and therefore 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.

EMW LAW LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Other operating income

	2023 £	2022 £
Net rents receivable	288,217	273,527
Insurance claims receivable	36,909	330,957
Sundry income	213,831	51,694
	<u>538,957</u>	<u>656,178</u>

6. Auditors' remuneration

	2023 £	2022 £
Fees payable to the LLP's auditors for the audit of the LLP's financial statements	20,500	19,000

7. Employees

Staff costs were as follows:

	2023 £	2022 £
Wages and salaries	5,516,333	5,515,883
Social security costs	548,946	520,202
Cost of defined contribution scheme	252,120	244,755
	<u>6,317,399</u>	<u>6,280,840</u>

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

	2023 No.	2022 No.
Fee earners	75	75
Support staff	35	15
Administrative staff	30	35
	<u>140</u>	<u>125</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Information in relation to members

	2023 Number	2022 Number
The average number of members during the year was	26	24
	2023 £	2022 £
The average members remuneration during the year was	132,826	120,827
Paid under employment contract	1,474,555	1,412,570
Paid under the terms of the LLP agreement	1,978,915	1,487,283
	3,453,470	2,899,853
The amount of profit attributable to the member with the largest entitlement was	181,039	139,357

9. Key management personnel

Total compensation paid to key management personnel in the year was £1,488,510 (2022: £999,855).

10. Interest receivable

	2023 £	2022 £
Other interest receivable	360,425	8,857

11. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	44,057	14,482
Other loan interest payable	187,226	93,958
	231,283	108,440

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 April 2022	757,422	88,511	845,933
Additions	57,333	-	57,333
At 31 March 2023	814,755	88,511	903,266
Amortisation			
At 1 April 2022	133,259	88,511	221,770
Charge for the year on owned assets	77,995	-	77,995
At 31 March 2023	211,254	88,511	299,765
Net book value			
At 31 March 2023	603,501	-	603,501
At 31 March 2022	624,163	-	624,163

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. Tangible fixed assets

	Long-term leasehold property £	Computer equipment £	Total £
Cost or valuation			
At 1 April 2022	1,234,089	2,321,326	3,555,415
Additions	100,071	7,044	107,115
Disposals	-	(864,086)	(864,086)
At 31 March 2023	1,334,160	1,464,284	2,798,444
Depreciation			
At 1 April 2022	543,740	1,868,757	2,412,497
Charge for the year on owned assets	107,902	109,501	217,403
Charge for the year on financed assets	-	36,230	36,230
Disposals	-	(862,978)	(862,978)
At 31 March 2023	651,642	1,151,510	1,803,152
Net book value			
At 31 March 2023	682,518	312,774	995,292
At 31 March 2022	690,349	452,569	1,142,918

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

	2023 £	2022 £
Computer equipment	41,200	47,086
Software (included within intangibles)	173,445	216,222
	214,645	263,308

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 April 2022	201,600
Disposals	(1,600)
At 31 March 2023	<u>200,000</u>

15. Work in progress

	2023 £	2022 £
Long-term contract balances	<u>153,336</u>	<u>93,985</u>

16. Debtors

	2023 £	As restated 2022 £
Due after more than one year		
Other debtors	1,020,000	810,596
	<u>1,020,000</u>	<u>810,596</u>
Due within one year		
Trade debtors	2,351,069	1,823,857
Other debtors	52,329	241,840
Prepayments and accrued income	1,373,866	1,123,996
Amounts recoverable on long-term contracts	2,103,320	2,336,618
Amounts due from members	142,459	570,845
	<u>7,043,043</u>	<u>6,907,752</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	12,915	127,310
Less: bank overdrafts	(509,293)	(296,342)
	<u>(496,378)</u>	<u>(169,032)</u>

18. Creditors: Amounts falling due within one year

	2023 £	As restated 2022 £
Bank overdrafts	509,293	296,342
Bank loans	1,079,317	1,310,984
Trade creditors	1,065,291	833,758
Other taxation and social security	683,145	770,334
Obligations under finance lease and hire purchase contracts	55,755	54,138
Other creditors	477,511	155,355
Accruals and deferred income	993,770	1,112,729
	<u>4,864,082</u>	<u>4,533,640</u>

The bank loans of £1,079,317 (2022: £1,310,984) are secured by a fixed and floating charge over the assets of the LLP.

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

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

	2023 £	2022 £
Bank loans	546,726	774,192
Net obligations under finance leases and hire purchase contracts	91,206	146,961
Other creditors	85,515	251,357
	<u>723,447</u>	<u>1,172,510</u>

The bank loans of £546,726 (2022: £774,192) are secured by a fixed and floating charge over the asset of the LLP.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Amounts falling due within one year		
Bank loans	1,079,317	1,310,984
Amounts falling due 1-2 years		
Bank loans	546,726	613,713
Amounts falling due 2-5 years		
Bank loans	-	160,479
	<u>1,626,043</u>	<u>2,085,176</u>

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

Barclays Loans

Loan outstanding of £Nil (2022: £332,597)

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

Loan outstanding of £332,030 (2022: £494,350)

Repayments are to be made monthly over the next 23 months.

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

Loan outstanding of £Nil (2022: £700,000)

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

Loan outstanding of £929,990 (2022: £Nil)

Repayments are to be made monthly over the next 20 months.

Interest is accruing at 5.83%.

Metrobank Loan

Loan outstanding of £Nil (2022: £338,913)

Interest accruing at a fixed rate of 1.390%.

Wesleyan Bank (Premium Credit Finance)

Loan outstanding of £364,023 (2022: £219,316)

Repayments are to be made monthly over the next 6 months

Interest is accruing at a fixed rate of 2.000%.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Loans and other debts due to members

	2023	As restated
	£	2022
		£
Members' capital treated as debt	3,168,250	3,367,849
Other amounts due to members	252,308	23,729
	3,420,558	3,391,578

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

	2023	As restated
	£	2022
		£
Falling due within one year	3,420,558	3,391,578
	3,420,558	3,391,578

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22. Analysis of net debt

	At 1 April 2022 £	Arising from cash flows £	At 31 March 2023 £
Cash at bank and in hand	127,310	(114,395)	12,915
Bank overdrafts	(296,342)	(212,951)	(509,293)
Borrowings due within 1 year	(1,310,984)	231,667	(1,079,317)
Borrowings due after 1 year	(774,192)	227,466	(546,726)
Finance leases	(201,099)	54,138	(146,961)
Net debt (before members' debt)	(2,455,307)	185,925	(2,269,382)
Loans and other debts due to members			
Members' capital	(3,367,849)	199,599	(3,168,250)
Other amounts due to members	(23,729)	(228,579)	(252,308)
Net debt	(5,846,885)	156,945	(5,689,940)

23. Prior year adjustment

The restatement for the prior financial year is in relation to debtors (Amounts Recoverable on Long Term Contracts) being adjusted by £376k and Creditors (Accruals and deferred income) by £46k. As a result the 2022 profit has been restated by £207k, and the brought forward 2021 members interest has been adjusted by £215k.

24. Capital commitments

At 31 March 2023 the LLP had capital commitments as follows:

	2023 £	2022 £
Contracted for but not provided in these financial statements	<u>22,185</u>	<u>81,356</u>

25. Pension commitments

The LLP operates a defined contribution scheme for employees. During the year the LLP paid contributions of £252,120 (2022: £244,755). Pensions contributions outstanding at the year end amounted to £nil (2022: £567).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

26. Commitments under operating leases

At 31 March 2023 the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	1,117,883	1,239,752
Later than 1 year and not later than 5 years	3,718,467	4,704,183
Later than 5 years	2,353,905	2,353,905
	<u>7,190,255</u>	<u>8,297,840</u>

Lease costs of £1,027,229 (2022: £995,367) were recognised as an expense in the year.

27. Related party transactions**EMW Leamington Limited**

At the year end there was a loan balance of £1,020,000 (2022: £750,000) outstanding from EMW Leamington Limited, a company under common control. This balance is unsecured.

Interest is accruing on the loan balance of 2.750% per annum above the floating rate, this amounted to £28,050 (2022: £21,470).

Other income received from EMW Leamington Limited during the year amounted to £133,015 (2022: £11,802).

EMW Group Limited

During the year, professional services were provided to EMW Group Limited, a Company under common control. Services amounted to £2,510 (2022: £4,500).

Balances outstanding at the year end amounted to £Nil (2022: £Nil).