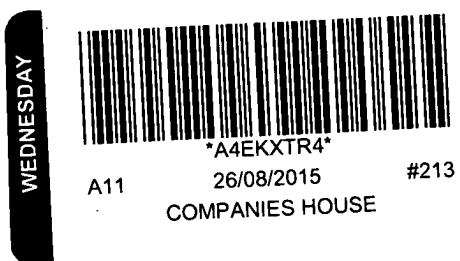


Registered number: OC310282

HYMANS ROBERTSON LLP AND SUBSIDIARIES

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2015



HYMANS ROBERTSON LLP AND SUBSIDIARIES

CONTENTS

	Page
Information	1
Members' Report	2 - 5
Independent Auditor's Report	6 - 7
Consolidated Profit and Loss Account	8
Consolidated Balance Sheet	9 - 10
LLP Balance Sheet	11 - 12
Consolidated Cash Flow Statement	13
Notes to the Financial Statements	14 - 29

HYMANS ROBERTSON LLP AND SUBSIDIARIES

INFORMATION

Designated members

R S Bowie
C H Fortes
G M Paterson
J P H Entwisle
N J Pope

LLP registered number

OC310282

Registered office

One London Wall, London, EC2Y 5EA

Independent auditors

Grant Thornton UK LLP, Grant Thornton House, Melton Street, London, NW1 2EP

Bankers

Barclays Bank PLC, United Kingdom House, 180 Oxford Street, London, W1D 1EL

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2015

The members present their annual report together with the audited financial statements of Hymans Robertson LLP and subsidiaries (the group) for the year ended 31 March 2015.

Principal activities

The principal activity of the group is that of providing actuarial, investment, administration, risk management and consulting services. The entities included in the group during the year and their principal activities were as follows:

Hymans Robertson LLP (the LLP) - Actuarial, investment, administration, risk management and consulting services.

Club Vita LLP - Research into the longevity of members of occupational pension schemes within the UK.

Hymans Robertson Services Limited - Provision of staff and services to the group.

Hymans Limited - Non-trading.

Hymans Robertson DIS Limited - Corporate trustee of the group death in service scheme.

Hymans On-Line Limited - Non-trading.

like minds (UK) Limited - A 50% holding in a creative communications company.

Review of business and future developments

The members of Hymans Robertson LLP are pleased to report the group results for the year to 31 March 2015. Turnover has increased to £69.5m, a solid result following very strong growth in the previous year.

As an independent, owner-managed firm, we have always taken long term investment decisions and this year has been no exception. We have developed our service offerings in all of our market segments. We have invested in our technology, the efficiency of our operations and have increased our resources by an additional 100 people.

Our pre-tax profits at £16.6m are lower than a very good result in the previous year. However, 2014/15 has been one of our most successful ever years for winning new client work, allowing us to establish new long term relationships that we will benefit from over many years to come. The reduced profits are a reflection of the investment we have made in people and systems in advance of these new clients so that we can deliver the excellent service for which we are widely recognised. We expect the dip in profits to be temporary as the income rises to match the investment.

We continue to be excited by the number of opportunities we see to help existing and new clients, particularly in light of the continuing changes in the pensions and long term savings landscape.

Particular highlights this year include:

- The Guided Outcomes® proposition, alongside our other DC consulting services, continues to make a very strong impact in the defined contributions pension market. We have again been recognised at the Professional Pensions 2015 awards where we won DC consultancy of the year for our role as industry thought leaders;

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2015

- We continued to invest heavily in the development of all the people who work for Hymans Robertson, with the aim of making this the best job they will ever have. We were again included in the "Sunday Times Top 100 Best Companies to work for" list, retaining our "two star" rating - while we are used to winning awards for our client work, it is really good to be recognised for what we see as the long term lifeblood of the firm – our investment in our people. Over the year, we have also appointed 7 new members.
- We were also delighted to be named as the actuarial / employee benefits consultancy of the year for the 3rd time in a row, reflecting our continual enhancement of our service offering to clients. Areas of particular investment included our 3DFunding approach and the launch of 3DANALYTICS, an online platform that provides clients with daily scheme financial information to support an innovative risk based approach to funding. Together 3DFunding and 3DANALYTICS are helping us to deliver better outcomes for trustees, sponsors and scheme members;
- Separately, we were recognised as the Actuarial consultant of the year at the 2015 Pension and Investment Provider awards (PIPA);
- We have continued to provide our public sector clients with support in a time of significant change. Our commitment to this sector is seen in our innovation, such as the "HEAT" (Hymans Robertson Employer Asset Tracker) which helps scheme employers manage their own risks by enabling them to track their assets within a local government fund. We have also taken a leading role in the national debate about how best to ensure that the local government pension schemes remains affordable and sustainable;
- In October 2014 we transferred our communications team into like minds (UK) limited to form a creative communications company in which we have a 50% interest. Like minds is uniquely equipped to establish employer brands, communicate business strategy, employee benefits, training and reward programmes in a clear and engaging way.

The foundations of our business are built on the quality of our people, our underlying values, a relentless focus on doing the right thing for our clients and doing so in a way that is in the public interest. These are the characteristics which we, and our clients, believe differentiate us and our short, medium and long term focus is to preserve and enhance this strategic advantage.

Designated members

The members of the LLP during the year that acted as designated members were:

R S Bowie
C H Fortes
G M Paterson
J P H Entwisle
N J Pope

Donations

During the year, the LLP made charitable donations of £133,360 (£225,587 in 2014).

Going concern

The members have reviewed the financial resources available to the group and LLP and the facilities currently in place and consider them to be adequate to meet its operational needs for the foreseeable future. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the LLP to continue as a going concern.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2015

Employee involvement

The Hymans Robertson group is committed to providing fulfilling careers for all our employees. We provide study support for professional qualifications and we invest significant time and money in providing wider training, coaching and mentoring. We actively promote opportunities for internal moves, secondments and promotions to widen our skills base, provide career progression and ensure we have effective succession planning in place.

Employee engagement is key to providing fulfilling careers, excellent client service and business success and we measure it annually and take active steps to sustain and build it further.

Equal opportunities

The group is committed to providing equal opportunities and we strongly believe in the importance of equality and diversity for all our employees. Our diversity and equality policy clearly recognises our obligations in law, but also, as a responsible employer, to ensure fair treatment for everyone in relation to:

- recruitment;
- career progression;
- access to learning and development; and
- terms of employment.

We are particularly focussed on our leadership roles and our clear objective is to continue to increase the number of female members. Our promotions continue to be merit based, and we are tackling any unintended barriers to progression. Additionally, we have well established procedures for assessing and providing for the needs of any of our disabled employees.

Members' capital and interests

The LLP maintains capital appropriate to the requirements of the business.

The LLP adopts a flexible policy for the subscription of capital. Members are invited to subscribe from time to time such that the LLP maintains its desired level of working capital in the business and has sufficient resources for investment. Equity members' capital is repaid over five years on retirement from the LLP or earlier, on terms agreed by the members. Associate members contribute capital on admission and this is repaid over three years on retirement from the LLP.

During the year members receive monthly drawings. The level of drawings is decided by the members after taking into account the firm's cash requirements for operating and investing activities. The monthly drawings represent payments on account of current year profits and are reclaimable from members until profits have been allocated. Profits are allocated to members automatically on a quarterly basis and in the event of the preparation of the annual financial statements that the amounts already credited to a member exceed their share of the net profit, the amount of any excess allocation would be charged to the member's current account.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2015

Members' responsibilities statement

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations), 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the group and of the profit or loss of the group for that period. In preparing these financial statements, the members are required to:

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


The members are responsible for keeping adequate accounting records disclose with reasonable accuracy at any time the financial position of the group and enable it to ensure that the financial statements will comply with the 2008 Regulations. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the LLP and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report was approved by the members on 25 June 2015 and signed on their behalf by:



N J Pope
Designated member



C Taylor
Member

HYMANS ROBERTSON LLP AND SUBSIDIARIES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HYMANS ROBERTSON LLP AND SUBSIDIARIES

We have audited the financial statements of Hymans Robertson LLP for the year ended 31 March 2015, which comprise the consolidated profit and loss account, the consolidated and LLP balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships by the Limited Liability Partnership (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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 set out on page 5, 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 Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 limited liability partnership's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HYMANS ROBERTSON LLP AND
SUBSIDIARIES**

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 limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent limited liability partnership's 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.



Peter J Gamson
Senior Statutory Auditor

for and on behalf of
Grant Thornton UK LLP

Grant Thornton House
Melton Street
London
NW1 2EP

25 June 2015

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
Turnover			
Group and share of joint venture's turnover		69,497,927	68,755,807
Less: share of joint venture's turnover		(512,419)	-
Group turnover	1	68,985,508	68,755,807
Administrative expenses		(52,403,407)	(46,978,130)
Operating profit	2	16,582,101	21,777,677
Share of operating profit in joint venture		33,191	-
Total operating profit		16,615,292	21,777,677
Interest receivable and similar income		22,320	13,487
Interest payable and similar charges	6	(9,910)	(19,608)
Profit on ordinary activities before taxation		16,627,702	21,771,556
Tax on profit on ordinary activities	7	(468,169)	(422,884)
Profit for the financial year before members' remuneration and profit shares		16,159,533	21,348,672
Profit for the year before members' remuneration and profit shares		16,159,533	21,348,672
Members' remuneration charged as an expense	5	(15,820,406)	(21,151,921)
Result for the year available for discretionary division among members		339,127	196,751

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the profit and loss account.

The notes on pages 14 to 29 form part of these financial statements.

HYMANS ROBERTSON LLP AND SUBSIDIARIES
REGISTERED NUMBER: OC310282

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	8		3,565,485		392,011
Tangible assets	9		5,497,883		3,897,394
Investments in joint ventures					
- Share of gross assets		410,374		-	
- Share of gross liabilities		(383,052)		-	
Share of net assets	10		27,322		-
			<u>9,090,690</u>		<u>4,289,405</u>
Current assets					
Debtors	11	22,058,819		20,414,162	
Cash at bank and in hand		979,962		9,485,839	
		<u>23,038,781</u>		<u>29,900,001</u>	
Creditors: amounts falling due within one year	12	(8,440,557)		(8,700,386)	
Net current assets			<u>14,598,224</u>		<u>21,199,615</u>
Total assets less current liabilities			<u>23,688,914</u>		<u>25,489,020</u>
Creditors: amounts falling due after more than one year	13	(2,649,486)		(2,724,329)	
Provisions for liabilities					
Other provisions	14	(500,368)		(111,829)	
Net assets attributable to members			<u><u>20,539,060</u></u>		<u><u>22,652,862</u></u>

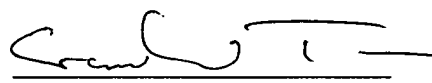
HYMANS ROBERTSON LLP AND SUBSIDIARIES

**CONSOLIDATED BALANCE SHEET (continued)
AS AT 31 MARCH 2015**

	Note	£	2015 £	£	2014 £
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability	15	13,570,000		11,786,000	
Other amounts		6,709,060		10,716,862	
			20,279,060		22,502,862
Members' other interests					
Other reserves classified as equity	15		260,000		150,000
			20,539,060		22,652,862
Total members' interests					
Amounts due from members (included in debtors)			(797,993)		(195,256)
Loans and other debts due to members			20,279,060		22,502,862
Members' other interests	15		260,000		150,000
			19,741,067		22,457,606

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 25 June 2015.


N.J. Pope
Designated member


C Taylor
Member

The notes on pages 14 to 29 form part of these financial statements.

HYMANS ROBERTSON LLP AND SUBSIDIARIES
REGISTERED NUMBER: OC310282

LLP BALANCE SHEET
AS AT 31 MARCH 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Intangible assets	8		3,703,063		392,011
Tangible assets	9		5,497,883		3,897,394
Investments	10		29,325		2,003
			<u>9,230,271</u>		<u>4,291,408</u>
Current assets					
Debtors	11	19,956,378		18,675,451	
Cash at bank		682,196		8,344,088	
		<u>20,638,574</u>		<u>27,019,539</u>	
Creditors: amounts falling due within one year	12	(6,578,231)		(6,018,678)	
Net current assets			<u>14,060,343</u>		<u>21,000,861</u>
Total assets less current liabilities			<u>23,290,614</u>		<u>25,292,269</u>
Creditors: amounts falling due after more than one year	13		(2,649,486)		(2,724,329)
Provisions for liabilities					
Other provisions	14		(500,368)		(111,829)
Net assets attributable to members			<u><u>20,140,760</u></u>		<u><u>22,456,111</u></u>

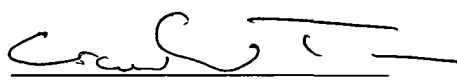
HYMANS ROBERTSON LLP AND SUBSIDIARIES

**LLP BALANCE SHEET (continued)
AS AT 31 MARCH 2015**

	Note	£	2015 £	£	2014 £
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability	15	13,570,000		11,786,000	
Other amounts		<u>6,846,638</u>		<u>10,716,862</u>	
			20,416,638		22,502,862
Members' other interests					
Other reserves classified as equity	15		<u>(275,878)</u>		<u>(46,751)</u>
			<u>20,140,760</u>		<u>22,456,111</u>
Total members' interests					
Amounts due from members (included in debtors)			(797,993)		(195,256)
Loans and other debts due to members			20,416,638		22,502,862
Members' other interests	15		<u>(275,878)</u>		<u>(46,751)</u>
			<u>19,342,767</u>		<u>22,260,855</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 25 June 2015.


N J Pope
Designated member


C Taylor
Member

The notes on pages 14 to 29 form part of these financial statements.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	18	17,057,210	20,708,782
Returns on investments and servicing of finance	19	12,410	(6,121)
Taxation	19	(438,786)	(397,583)
Capital expenditure and financial investment	19	(5,994,686)	(1,073,709)
Net cash flow from transactions with members	19	(18,876,072)	(15,263,468)
Cash (outflow)/inflow before financing		(8,239,924)	3,967,901
Net cash outflow from financing	19	(265,953)	(288,021)
(Decrease)/Increase in cash in the year		(8,505,877)	3,679,880

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 MARCH 2015**

		2015 £	2014 £
(Decrease)/Increase in cash in the year		(8,505,877)	3,679,880
Net cash outflow from financing	20	265,953	288,021
Movement in net funds in the year	20	(8,239,924)	3,967,901
Net funds at 1 April 2014		9,085,034	5,117,133
Net funds at 31 March 2015		845,110	9,085,034

The notes on pages 14 to 29 form part of these financial statements.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice), and the requirements of the Statement of Recommended Practice (SORP) 'Accounting by Limited Liability Partnerships', revised in March 2010.

The accounting policies are unchanged compared with the prior year and are set out below.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Hymans Robertson LLP and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The investment in 50% of the equity of like minds (UK) limited is considered to be a joint venture and is therefore accounted for using the equity accounting basis.

The LLP has taken advantage of the exemption contained within section 408 of the Companies Act 2006 and has not separately presented a profit and loss account for the LLP entity.

1.3 Turnover

Turnover represents amounts chargeable to clients for professional services supplied during the year, excluding value added tax and disbursements. Revenue from services provided is recognised when the group or LLP has performed its obligations and in exchange obtained the right to consideration.

Subscription revenue associated with Club Vita is recognised when the report is delivered to the subscriber. Any joining fees are recognised when the membership pack is delivered.

1.4 Amounts recoverable on contracts

Services provided to clients during the year, which at the balance sheet date have not been billed to clients, have been recognised as turnover in accordance with Financial Reporting Standard 5 'Reporting the substance of transactions': Application Note G 'Revenue Recognition'. Turnover recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Provision is made against unbilled amounts on those engagements where the right to receive payment is contingent on factors outside the control of the group. Unbilled revenue is included in debtors.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	Straightline over the remaining life of the lease
IT equipment	-	33.3% per annum straight line
Plant & equipment	-	12.5% per annum straight line

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. Accounting policies (continued)

1.6 Investments

- (i) **Subsidiary undertakings**
Investments are included at cost less any amounts written off.
- (ii) **Joint venture undertakings**
The investment in the joint venture is stated at the entity's share of net assets. The entity's share of the profits or losses of the joint venture is included in the Profit and Loss Account using the equity accounting basis.

1.7 Defined contribution pension arrangements

The entity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the entity to the fund in respect of the year.

1.8 Operating leases

Leases where substantially all of the risks and rewards of ownership are not transferred to the LLP are treated as operating leases. Rentals under operating leases are charged against profits on a straight-line basis over the period of the lease.

Operating lease incentives are recognised, on a straight-line basis, as a reduction of the rental expense over either the lease term or the period to the first rent review, depending upon the commercial substance of the incentive arrangement.

1.9 Members' remuneration

Remuneration that is paid under the LLP agreement arising out of an automatic allocation of profits or through some form of contractual commitment is disclosed as "Members' remuneration charged as an expense".

1.10 Members' interests and current and non-current debts due to and from members

Members subscribe capital in the proportion to their interest in the firm. Members' capital may only be withdrawn when a member leaves the LLP through retirement, expulsion or cessation. Equity members have capital which is repayable over a period of five years after retirement. Associate members have capital which is repayable over three years after retirement. Capital is classified within members' interests as both a current liability and an amount due in greater than one year in accordance with the repayment terms.

Where a member's current account is overdrawn the balance is classified as "Amounts due from members".

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

1. Accounting policies (continued)

1.11 Taxation

The tax charge shown in the profit and loss account arises from corporation tax on the trading profit for the year at the prevailing corporation tax rate. This includes our share of the joint venture tax charge for the year.

All other taxation payable on the LLP profits is the personal liability of members. Consequently, partnership taxation is not accounted for within the financial statements. Sums set aside to settle members' tax obligations are included in the balance sheet within loans and other amounts due to members.

1.12 Research and development

Development costs incurred on specific projects are capitalised when recoverability can be assessed with reasonable certainty and amortised in line with the expected revenues arising from the projects. All other development costs are written off in the year of expenditure.

1.13 Provisions for liabilities

Provisions are recognised when the LLP has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. If the effect of discounting is material, provisions are determined by discounting the expected value of future cash flows at a pre-tax rate that reflects current market assessments of the time value of money, and where appropriate, the risks specific to the liability. The unwinding of any discount is recognised as a finance charge in the profit and loss account.

A contingent liability arises where the LLP has a possible obligation as a result of past events, or where the LLP has a present obligation as a result of past events, but where the transfer of economic benefit to settle the obligation is not probable, or the amount of the liability cannot be measured with sufficient reliability. Contingent liabilities are disclosed in the notes to the financial statements.

1.14 Professional indemnity claims

A provision for professional indemnity claims is reviewed at each year end based on the likely outcome of potential claims against the LLP.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

2. Operating profit

The operating profit is stated after charging/(crediting):

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the group	1,220,723	1,060,914
Operating lease rentals:		
- office equipment	49,590	46,261
- land and buildings	2,024,058	1,856,721
Difference on foreign exchange	(6,857)	3,019
Amortisation of deferred research and development expenditure	-	193,191
	<u> </u>	<u> </u>

3. Auditors' remuneration

Audit services	44,500	48,000
Fees payable to the LLP's auditor in respect of:		
All other non-audit services not included above	13,700	14,000
	<u> </u>	<u> </u>

4. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	28,594,433	25,246,294
Social security costs	3,248,789	2,696,990
Pension costs	3,811,156	3,131,150
	<u> </u>	<u> </u>
	<u>35,654,378</u>	<u>31,074,434</u>

The average monthly number of persons employed during the year was as follows:

	2015 Number	2014 Number
Fee earners	362	320
Non fee earners	271	232
	<u> </u>	<u> </u>
	<u>633</u>	<u>552</u>

The average male and female split is 51% male and 49% female, and is in line with a historic trend of around 50%:50%.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

5. Members' remuneration

	2015 Number	<i>2014 Number</i>
The average number of members during the year was	<u>65</u>	<u>62</u>
	£	£
The amount of profit attributable to the member with the largest entitlement was	<u>584,904</u>	<u>922,689</u>

The LLP divides profit according to the members' agreement, whereby profit is allocated according to interest on members' accounts and notional salaries with any remaining profit allocated according to the profit sharing ratios prevailing at the time.

6. Interest payable

	2015 £	<i>2014 £</i>
On bank loans and overdrafts	3,173	5
Interest payable to former members	-	6,253
Interest payable on asset finance	6,737	13,350
	<u>9,910</u>	<u>19,608</u>

7. Taxation

	2015 £	<i>2014 £</i>
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	462,300	422,884
	<u>462,300</u>	<u>422,884</u>
Share of joint ventures' current tax	5,869	-
	<u>468,169</u>	<u>422,884</u>
Tax on profit on ordinary activities		

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2014 - *lower than*) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	16,627,702	21,771,556
Amounts not subject to corporation tax as taxed at the level of individual members	(14,175,395)	(19,939,021)
Profit on ordinary activities of group companies before tax	<u>2,452,307</u>	<u>1,832,535</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	468,169	421,483
Effects of:		
Adjustments to tax charge in respect of prior periods	-	1,401
Current tax charge for the year	<u>468,169</u>	<u>422,884</u>

8. Intangible fixed assets

Group	Deferred development expenditure £
Cost	
At 1 April 2014	392,011
Additions	3,173,474
At 31 March 2015	<u>3,565,485</u>
Net book value	
At 31 March 2015	<u>3,565,485</u>
At 31 March 2014	<u>392,011</u>

The deferred development expenditure of £3,565,485 is in relation to projects still under development and therefore no amortisation is yet being charged. This figure is lower than the corresponding figure in the LLP as a consequence of the margin on intra group charges being eliminated in the consolidated group figures.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

8. Intangible fixed assets (continued)

	Deferred development expenditure £
LLP	
Cost	
At 1 April 2014	392,011
Additions	3,311,052
At 31 March 2015	<u>3,703,063</u>
Net book value	
At 31 March 2015	<u>3,703,063</u>
At 31 March 2014	<u>392,011</u>

The deferred development expenditure of £3,703,063 is in relation to projects still under development and therefore no amortisation is yet being charged.

9. Tangible fixed assets

	Leasehold improvements £	IT equipment £	Other equipment £	Total £
Group				
Cost				
At 1 April 2014	4,856,232	6,170,756	909,688	11,936,676
Additions	945,320	1,764,790	111,102	2,821,212
At 31 March 2015	<u>5,801,552</u>	<u>7,935,546</u>	<u>1,020,790</u>	<u>14,757,888</u>
Depreciation				
At 1 April 2014	2,363,516	5,047,843	627,923	8,039,282
Charge for the year	413,805	723,185	83,733	1,220,723
At 31 March 2015	<u>2,777,321</u>	<u>5,771,028</u>	<u>711,656</u>	<u>9,260,005</u>
Net book value				
At 31 March 2015	<u>3,024,231</u>	<u>2,164,518</u>	<u>309,134</u>	<u>5,497,883</u>
At 31 March 2014	<u>2,492,716</u>	<u>1,122,913</u>	<u>281,765</u>	<u>3,897,394</u>

Included within the cost of IT equipment above are assets in the process of development totalling £758,337 and therefore no depreciation is yet being charged.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

9 Tangible fixed assets (continued)

	Leasehold improvements £	IT equipment £	Other equipment £	Total £
LLP				
Cost				
At 1 April 2014	4,856,232	6,170,756	909,688	11,936,676
Additions	945,320	1,764,790	111,102	2,821,212
At 31 March 2015	5,801,552	7,935,546	1,020,790	14,757,888
Depreciation				
At 1 April 2014	2,363,516	5,047,843	627,923	8,039,282
Charge for the year	413,805	723,185	83,733	1,220,723
At 31 March 2015	2,777,321	5,771,028	711,656	9,260,005
Net book value				
At 31 March 2015	3,024,231	2,164,518	309,134	5,497,883
At 31 March 2014	2,492,716	1,122,913	281,765	3,897,394

Included within the cost of IT equipment above are assets in the process of development totalling £758,337 and therefore no depreciation is yet being charged.

10. Fixed asset investments

	Investment in joint venture £
Group	
Cost or valuation	
At 1 April 2014	-
Addition	27,322
At 31 March 2015	27,322
Net book value	
At 31 March 2015	27,322
At 31 March 2014	-

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

10. Fixed asset investments (continued)

Participating interests

The group's share of the joint venture's net assets at the Balance Sheet date was as follows:

	£	2015 £	£	2014 £
Share of assets				
Fixed assets	33,152		-	
Current assets	377,222		-	
		410,374		-
Share of liabilities				
Due within one year or less	(366,885)		-	
Due after more than one year	(16,167)		-	
		(383,052)		-
Share of net assets		27,322		-

Hymans Robertson LLP entered into an agreement to acquire 50% of the equity of like minds (UK) limited on 2nd October 2014. The fair value of the consideration made is inherently difficult to value due to the intangible nature of the assets contributed. In addition, the former owners of the company received a dividend equating to the net assets of the company as at the date of our investment. Therefore the consideration has been deemed to be £nil.

	Investments in subsidiary companies £	Investment in joint venture £	Total £
LLP			
Cost or valuation			
At 1 April 2014	2,003	-	2,003
Addition	-	27,322	27,322
At 31 March 2015	2,003	27,322	29,325
Net book value			
At 31 March 2015	2,003	27,322	29,325
At 31 March 2014	2,003	-	2,003

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

10. Fixed asset investments (continued)

Company name	Country of incorporation	Percentage Proportion of ordinary shares or members' rights held	Nature of business
Club Vita LLP	UK	100%	Research into the longevity of members of occupational pension schemes within the UK
Hymans Robertson Services Limited	UK	100%	Provision of staff and services to the Hymans Robertson group
Hymans Limited	UK	100%	Non-trading
Hymans Robertson DIS Limited	UK	100%	Corporate trustee of the group death in service scheme
Hymans On-Line Limited	UK	100%	Non-trading
like minds (UK) Limited	UK	50%	Creative communications company

11. Debtors

	Group		LLP	
	2015	2014	2015	2014
	£	£	£	£
Trade debtors	10,764,435	10,361,608	10,523,835	10,069,637
Amounts owed by group undertakings	-	-	110,171	-
Amounts owed by joint venture	165,802	-	300,000	-
Other debtors	159,547	166,105	31,808	28,375
Prepayments and accrued income	2,724,515	1,917,336	746,551	612,326
Amounts recoverable on contracts	7,446,527	7,773,857	7,446,020	7,769,857
Amounts due from members	797,993	195,256	797,993	195,256
	22,058,819	20,414,162	19,956,378	18,675,451

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

	Group		LLP	
	2015	2014	2015	2014
	£	£	£	£
Asset finance	110,622	279,936	110,622	279,936
Trade creditors	356,746	321,977	-	26,864
Amounts owed to group undertakings	-	-	2,829,614	2,709,999
Corporation tax	239,777	216,263	-	-
Social security and other taxes	2,697,927	2,628,888	2,416,695	2,276,389
Leasehold incentives	533,370	418,142	533,370	418,142
Other creditors	10,127	8,385	3,918	2,822
Accruals and deferred income	4,491,988	4,826,795	684,012	304,526
	8,440,557	8,700,386	6,578,231	6,018,678

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

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

	Group		LLP	
	2015	2014	2015	2014
	£	£	£	£
Asset finance	24,230	120,869	24,230	120,869
Leasehold incentives	2,625,256	2,603,460	2,625,256	2,603,460
	2,649,486	2,724,329	2,649,486	2,724,329

The leasehold incentive creditor represents the cash incentive / rent free periods received upon taking the leases on new offices in Glasgow in August 2004, London in March 2006, Edinburgh in August 2009, Birmingham in January 2011 and an additional floor in Glasgow in May 2014. These are being released back to the Profit and Loss account over the term of the lease (15 years for Glasgow, London and Edinburgh, 10 years for Birmingham and 6 years for the additional floor in Glasgow).

The asset finance creditor is secured on the assets which were purchased with the funds.

14. Provisions

Group and LLP	Provisions £
At 1 April 2014	111,829
Provided during the year	519,613
Utilised during the year	(65,242)
Released during the year	(65,832)
At 31 March 2015	500,368

Provisions

A provision for professional indemnity claims is included above and reviewed at each year end based on the likely outcome of potential claims against the LLP.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

15. Reconciliation of members' interests

	Members' capital £	Loans and other debts due to members £	Other reserves classified as equity £	Total £
Group members' interests				
At 1 April 2014	11,786,000	10,521,606	150,000	22,457,606
Members' remuneration charged as an expense	-	15,820,406	-	15,820,406
Result for the year available for discretionary division among members	-	-	339,127	339,127
	<u>11,786,000</u>	<u>26,342,012</u>	<u>489,127</u>	<u>38,617,139</u>
Other division of profits	-	229,127	(229,127)	-
Introduced by members	1,556,400	-	-	1,556,400
Transfer to amounts due to members	227,600	(227,600)	-	-
Drawings	-	(12,046,804)	-	(12,046,804)
Taxation paid	-	(8,385,668)	-	(8,385,668)
	<u>13,570,000</u>	<u>5,911,067</u>	<u>260,000</u>	<u>19,741,067</u>
At 31 March 2015	<u>13,570,000</u>	<u>5,911,067</u>	<u>260,000</u>	<u>19,741,067</u>

On retirement equity members' capital is repayable over five years and as a result of the notice period required the total amount is considered to be repayable after one year. At 31 March 2015 this has a value of £10,600,000 (2014: £9,176,000). Associate members' capital is repayable over three years upon retirement and at 31 March 2015 this has a value of £2,970,000 (2014: £2,610,000). As a result of the notice period required one third of this is considered to be potentially repayable in less than one year.

Loans and other amounts due to members includes amounts of £2,819,158 (2014: £3,392,939) which are repayable after one year.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

15. Reconciliation of members' interests (continued)

	Members' capital £	Loans and other debts due to members £	Other reserves classified as equity £	Total £
LLP members' interests				
At 1 April 2014	11,786,000	10,521,606	(46,751)	22,260,855
Members' remuneration charged as an expense	-	15,957,984	-	15,957,984
	<u>11,786,000</u>	<u>26,479,590</u>	<u>(46,751)</u>	<u>38,218,839</u>
Other division of profits	-	229,127	(229,127)	-
Introduced by members	1,556,400	-	-	1,556,400
Transfer to amounts due to members	227,600	(227,600)	-	-
Drawings	-	(12,046,804)	-	(12,046,804)
Taxation paid	-	(8,385,668)	-	(8,385,668)
	<u>13,570,000</u>	<u>6,048,645</u>	<u>(275,878)</u>	<u>19,342,767</u>
At 31 March 2015				

On retirement equity members' capital is repayable over five years and as a result of the notice period required the total amount is considered to be repayable after one year. At 31 March 2015 this has a value of £10,600,000 (2014: £9,176,000). Associate members' capital is repayable over three years upon retirement and at 31 March 2015 this has a value of £2,970,000 (2014: £2,610,000). As a result of the notice period required one third of this is considered to be potentially repayable in less than one year.

Loans and other amounts due to members includes amounts of £2,819,158 (2014: £3,392,939) which are repayable after one year.

Hymans Robertson LLP has taken advantage of Section 408 of the Companies Act 2006 and not included its profit and loss account in the financial statements. Its profit for the year ending 31 March 2015 is £15,957,984 (2014: £21,151,921). This includes a profit allocation from Hymans Robertson Financial Services LLP for the year ending 31 March 2015 of £nil (2014: £248,156), an allocation of the profit of Club Vita LLP of £120,678 (2014: £157,935) and a dividend from Hymans Robertson Services Limited of £1,400,000 (2014: £450,000). In addition to this Hymans Robertson LLP has also accounted for the profit recognised within joint ventures for the year ending 31 March 2015 of £27,322 (2014: £nil).

16. Capital commitments

At 31 March 2015 the group and LLP had capital commitments as follows:

	Group		LLP	
	2015	2014	2015	2014
	£	£	£	£
Contracted for but not provided in these financial statements	<u>34,268</u>	<u>197,830</u>	<u>34,268</u>	<u>197,830</u>

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

17. Operating lease commitments

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2015	Other
	2015	2014		
Group	£	£	£	£
Expiry date:				
Within 1 year	-	-	729	292
Between 2 and 5 years	934,498	-	27,827	28,705
After more than 5 years	1,619,994	2,276,474	-	-
	<u>1,619,994</u>	<u>2,276,474</u>	<u>-</u>	<u>-</u>

At 31 March 2015 the LLP had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		2015	Other
	2015	2014		
LLP	£	£	£	£
Expiry date:				
Between 2 and 5 years	934,498	-	-	-
After more than 5 years	1,619,994	2,276,454	-	-
	<u>1,619,994</u>	<u>2,276,454</u>	<u>-</u>	<u>-</u>

In April 2015 Hymans Robertson LLP entered into a lease for additional floor space in our London office. This lease will run for five years.

18. Net cash flow from operating activities

	2015	2014
	£	£
Operating profit	16,582,101	21,777,677
Amortisation of intangible fixed assets	-	193,191
Depreciation of tangible fixed assets	1,220,723	1,060,914
Increase in debtors	(1,369,250)	(633,984)
Decrease/(increase) in amounts recoverable on contracts	327,330	(2,130,716)
(Decrease)/increase in creditors	(92,233)	678,614
Increase/(decrease) in provisions	388,539	(236,914)
Net cash inflow from operating activities	<u>17,057,210</u>	<u>20,708,782</u>

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

19. Analysis of gross cash flows

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	22,320	13,487
Interest paid on asset finance	(6,737)	(13,350)
Interest paid on former member balances	-	(6,253)
Interest paid on bank overdraft	(3,173)	(5)
	<u>12,410</u>	<u>(6,121)</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		
	2015 £	2014 £
Taxation		
Corporation tax	(438,786)	(397,583)
	2015 £	2014 £
Capital expenditure and financial investment		
Investment in intangible fixed assets	(3,173,474)	(392,011)
Purchase of tangible fixed assets	(2,821,212)	(681,698)
	<u>(5,994,686)</u>	<u>(1,073,709)</u>
Net cash outflow from capital expenditure		
	2015 £	2014 £
Transactions with members		
Payments to members	(20,432,472)	(18,385,187)
Payments to former members	-	(524,081)
Contributions by members	1,556,400	3,645,800
	<u>(18,876,072)</u>	<u>(15,263,468)</u>
Net cash outflow from transactions with members		
	2015 £	2014 £
Financing		
Repayments of asset finance	(265,953)	(288,021)

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

20. Analysis of changes in net funds

	1 April 2014 £	Cash flow £	Other non-cash changes £	31 March 2015 £
Cash at bank and in hand	9,485,839	(8,505,877)	-	979,962
Asset finance:				
Asset finance due within one year	(279,936)	265,953	(96,639)	(110,622)
Asset finance falling due after more than one year	(120,869)	-	96,639	(24,230)
Net funds	9,085,034	(8,239,924)	-	845,110

21. Contingent liabilities

As at 31 March 2015 there were annuities in payment to former members of £150,515 per annum (2014: £146,595). These annuities are payable personally by the members of the LLP but there is a contingent guarantee that only in the event of default by all members personally, Hymans Robertson LLP and Hymans Robertson Financial Services LLP would be liable for this payment.

On the basis that default by all members personally is considered highly improbable, this is only presented as a contingent liability.

22. Related party transactions

The group has taken advantage of the exemptions allowed under FRS8 enabling it not to report related party transactions between wholly owned subsidiaries.

In the six months to 31 March 2015 the group has provided services to like minds (UK) limited, a company in which it owns 50% of the equity, of £106,500 and purchased services of £648,184. The outstanding amounts owed from like minds (UK) limited at 31 March 2015 amount to £165,802.

Hymans Robertson LLP has provided a loan to like minds (UK) limited of £300,000 which is repayable on 31 March 2016. Interest is charged at the rate of 2% above the base rate of Barclays Bank plc.

23. Controlling party

The members consider themselves to be the controlling related parties. The largest and smallest group of undertakings for which group financial statements have been drawn up is that headed by Hymans Robertson LLP, a limited liability partnership incorporated in England and Wales.