

Registered number: OC310282

HYMANS ROBERTSON LLP AND SUBSIDIARIES

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019



HYMANS ROBERTSON LLP AND SUBSIDIARIES

INFORMATION

Designated Members

D C Bowie
J A Dickson
J P H Entwisle
C H Fortes
N J Pope
G F Tait (appointed 1 April 2018)

LLP registered number

OC310282

Registered office

One London Wall, London, EC2Y 5EA

Independent auditor

Grant Thornton UK LLP, 110 Queen Street, Glasgow, G1 3BX

Bankers

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

HYMANS ROBERTSON LLP AND SUBSIDIARIES

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HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2019

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 2019.

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

Club Vita LLP - Non-trading

Club Vita US, LLC - Non-trading.

Hymans Limited - Non-trading.

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

Zimm Financial Services Limited (formerly 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 report a solid performance for the year to 31 March 2019. We won new clients across all areas of our business, in what remain very competitive markets for our services. Clients demand high quality, efficiency and innovation and to meet these needs we continue to invest in new services and propositions. Our income grew by more than 4% to £85.3m (£81.7m in 2018) and we sustained our profitability.

Our success in winning industry awards has continued this year. In 2018, we won Pensions and Investment Provider's Investment Consultant and Employee Benefits Consultant of the year, Pension Insight's DC Consultancy of the year, Workplace Savings and Benefits Consultant of the year and DC consultancy of the year. More recently, we retained the DC consultancy of the year award at the 2019 UK Pension Awards.

The majority of our revenue comes from our work with defined benefits pension clients and our market share has continued to grow in 2018/19. We work with our clients to implement more resilient strategies, to reduce uncertainty and seek more certain futures for scheme sponsors, trustees and members. Over the year, we have helped a growing number of clients to de-risk their pension schemes, experienced strong growth in our third party administration business and continued to develop our wider service offerings in a continually changing legislative environment. We have been a leading voice in the debate on the potential consolidation of DB pension schemes and we are pleased that the Competition & Markets Authority findings have been supportive of the investment consultancy approach we take to helping our clients. We remain very proud of our leadership position in providing advice to local government pension schemes.

Whilst we continue to invest in our defined benefits business, we also see strong growth in our diversified markets, which now represent over 16% of our total income. Much of this is based on applying existing tools and propositions in new ways. Club Vita® remains the pre-eminent UK longevity database, used by pension schemes and (re)insurers, and we continue to look at ways of using our analytical expertise to help more clients.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

Our Guided Outcomes® methodology helps large numbers of employees engage with their workplace DC pension schemes and consider their options at retirement. We have been successful in finding broader application for this approach in the wider long term savings market. For example, our Guided Outcomes® methodology is now being used by intermediaries to support financial advisers in providing retirement planning advice to individuals. We also work closely with like minds, our joint venture partner, who are specialists in employee communication and engagement and who support us in bringing solutions that are tailored to our clients, their staff and scheme members.

Our life and financial services team have established an enviable reputation helping clients with some of their most complex challenges covering areas such as risk, capital optimisation, longevity, investment strategy and product development. This remains a significant growth area for the firm. In 2019, we were delighted to win both the Insurance ERM's Actuarial team and their Longevity/ Mortality team of the year.

We aspire to be a progressive firm for all of the people who work here. Attracting and developing the best talent will always be a key priority and we are committed to working with everyone at Hymans Robertson to allow them to have a fulfilling career and reach their full potential. It is pleasing that, in 2018, 4 people were promoted to membership of the LLP and more have followed in 2019.

The Hymans Robertson Foundation is a registered charity, which is funded from the profits of the firm. The Foundation's efforts focus on financial literacy and employability for the most disadvantaged sections of society. The firm also provides local community support and matches employee giving, through donations of both time and money. Charities supported over the last year have included The Prince's Trust, TLG, FARE Scotland, Works+, Barnardo's, SportInspired, DEC donations and numerous others across the UK.

For almost 100 years now, we have remained steadfastly independent in our ownership structure and in our advice. We remain wholly owned and capitalised by members of the LLP who all work in the business. Our mission is to create better futures for our clients, their members and our industry as a whole.

We pride ourselves on a personal and high quality service. We put clients at the heart of our business and provide them with advice and solutions that deliver better outcomes for them and their members. Our independence means we can look ahead and invest in developing ideas and solutions that will help our clients not only today, but that also anticipates what they will need for the very long term.

Designated members

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

D C Bowie
J A Dickson
J P H Entwisle
C H Fortes
N J Pope
G F Tait

Donations

During the year, the LLP made charitable donations of £165,694 (2018: £219,278).

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

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 as the members do not consider there to be any material uncertainties related to events or conditions that may cast significant doubt about the ability of the LLP to continue as a going concern.

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 learning and development, coaching and mentoring opportunities. 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. Through our monthly pulse survey we monitor this closely and actively respond to feedback. Our objective is to attract and retain the best talent through a number of measures, including competitive and attractive remuneration packages, meaningful work and a flexible approach to working practices and preferences.

Equal opportunities

The firm is committed to providing opportunities for all and we strongly believe in the importance of equality and inclusion for all our employees. We have a culture of inclusion and continuously review how we can best improve diversity. Our policies seek to not only meet our obligations as a responsible employer, but to be an exemplar firm and to ensure fair treatment for everyone in relation to:

- Recruitment;
- Career progression;
- Access to learning and development;
- Terms of employment; and
- A welcoming work environment.

We are particularly focused on our leadership roles and our clear objective is to continue to increase the diversity within this group. Our promotions continue to be merit based, and we are tackling any unintended barriers to progression. We also have well established procedures for assessing and providing for the needs of any of our disabled colleagues.

Gender Pay Gap

We reported on our gender pay gap information following the introduction of UK legislation in April 2017. We view this as a positive step in the drive for genuine gender diversity at work. Our median gender pay gap is 22.8% and the mean figure is 23%. Our analysis shows that our challenge is the distribution of people where we have gender imbalance in some parts of our business, particularly in senior and leadership roles. We have seen good progress with the representation of women at a senior level in recent years with the number of women partners now exceeding 30%. We are committed to doing more, with a growing number of wide-ranging initiatives to ensure we continue to improve our gender balance at all levels.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

MEMBERS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

Members' capital and interests

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

Members' responsibilities statement

The members are responsible for preparing the report and 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 the law the members have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The financial statements are required by law to give a true and fair view of the state of affairs of the group and LLP 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 judgements 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 presume that the group will continue in business.

The members are responsible for keeping adequate accounting records that 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 2008 Regulations. 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.

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

HYMANS ROBERTSON LLP AND SUBSIDIARIES

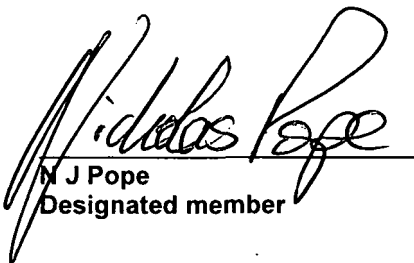
**MEMBERS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019**

Disclosure of information to auditor

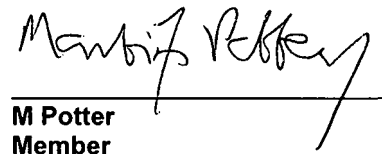
The members confirm that:

- so far as each member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the members on 27 June 2019 and signed on their behalf by:



M J Pope
Designated member



M Potter
Member

HYMANS ROBERTSON LLP AND SUBSIDIARIES

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

Opinion

We have audited the financial statements of Hymans Robertson LLP (the 'limited liability partnership') and its subsidiaries (the 'group') for the year ended 31 March 2019, which comprise the group and parent LLP balance sheets, the group profit and loss account and statement of retained earnings, the group statement of cash flows and the notes to the financial statements, 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 group's and of the limited liability partnership's affairs as at 31 March 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships.

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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the limited liability partnership's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The members are responsible for the other information. The other information comprises information included in the members' report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HYMANS ROBERTSON LLP AND SUBSIDIARIES (CONTINUED)

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

Responsibilities of members for the financial statements

As explained more fully in the Members' Responsibilities Statement set out on page 4, 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 group's and the limited liability partnership'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 group or the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

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 auditor's report.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HYMANS ROBERTSON LLP AND
SUBSIDIARIES (CONTINUED)

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body for our audit work, for this report, or for the opinions we have formed.



Andrew Howie
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Glasgow
27 June 2019

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**CONSOLIDATED PROFIT AND LOSS ACCOUNT AND STATEMENT OF RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2019**

		2019 £	2018 £
Turnover	3	85,289,857	81,653,637
Administrative expenses		(63,975,759)	(59,398,443)
Operating profit	4	21,314,098	22,255,194
Interest receivable and similar income		18,587	12,718
Interest payable and similar charges	8	(118,999)	(86,909)
Profit for the year before members' remuneration and profit shares		<u>21,213,686</u>	<u>22,181,003</u>
Profit for the year before members' remuneration and profit shares		21,213,686	22,181,003
Members' remuneration charged as an expense	18	(21,213,686)	(22,181,003)
Profit for the financial year available for discretionary division among members		<u>-</u>	<u>-</u>

There were no recognised gains and losses for 2019 or 2018 other than those included in the consolidated profit and loss account and statement of retained earnings.

The notes on pages 15 to 36 form part of these financial statements.

HYMANS ROBERTSON LLP AND SUBSIDIARIES
REGISTERED NUMBER: OC310282

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2019

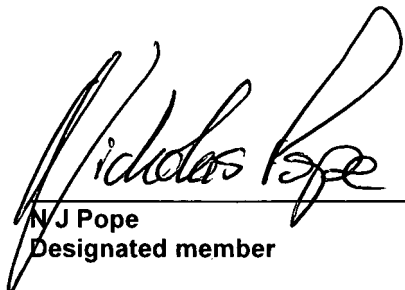
		2019 £	2018 £
Fixed assets			
Intangible assets	9	2,522,898	4,226,460
Tangible assets	10	3,390,770	4,345,212
		<u>5,913,668</u>	<u>8,571,672</u>
Current assets			
Debtors: amounts falling due within one year	12	29,829,168	27,551,309
Cash at bank and in hand		5,803,379	5,724,948
		<u>35,632,547</u>	<u>33,276,257</u>
Creditors: amounts falling due within one year	13	(11,051,601)	(10,392,992)
Net current assets		<u>24,580,946</u>	<u>22,883,265</u>
Total assets less current liabilities		<u>30,494,614</u>	<u>31,454,937</u>
Creditors: amounts falling due after more than one year	14	(3,053,084)	(3,209,489)
Provisions for liabilities			
Other provisions	17	(2,589,483)	(2,358,421)
Net assets attributable to members		<u><u>24,852,047</u></u>	<u><u>25,887,027</u></u>

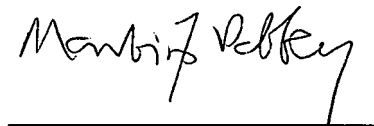
HYMANS ROBERTSON LLP AND SUBSIDIARIES
REGISTERED NUMBER: OC310282

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

		2019 £	2018 £
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability	18	15,343,000	15,163,000
Other amounts		9,509,047	10,724,027
		<u>24,852,047</u>	<u>25,887,027</u>
Total members' interests			
Amounts due from members	12	(2,047,038)	(1,478,606)
Loans and other debts due to members		24,852,047	25,887,027
		<u>22,805,009</u>	<u>24,408,421</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 27 June 2019.


N J Pope
Designated member


M Potter
Member

The notes on pages 15 to 36 form part of these financial statements.

HYMANS ROBERTSON LLP AND SUBSIDIARIES
REGISTERED NUMBER: OC310282

LLP BALANCE SHEET
AS AT 31 MARCH 2019

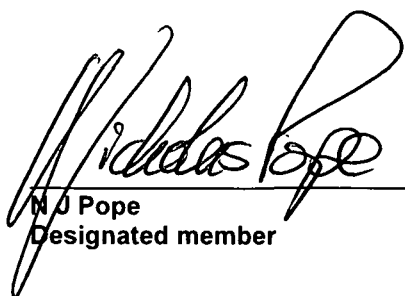
		2019 £	2018 £
Fixed assets			
Intangible assets	9	2,592,163	4,354,553
Tangible assets	10	3,390,770	4,345,212
Investments	11	1,006	1,006
		<u>5,983,939</u>	<u>8,700,771</u>
Current assets			
Debtors: amounts falling due within one year	12	29,901,769	27,308,178
Cash at bank and in hand		5,332,946	5,599,974
		<u>35,234,715</u>	<u>32,908,152</u>
Creditors: amounts falling due within one year	13	(10,654,759)	(10,025,887)
Net current assets		<u>24,579,956</u>	<u>22,882,265</u>
Total assets less current liabilities		<u>30,563,895</u>	<u>31,583,036</u>
Creditors: amounts falling due after more than one year	14	(3,053,084)	(3,209,489)
Provisions for liabilities			
Other provisions	17	(2,367,535)	(2,193,145)
Net assets attributable to members		<u><u>25,143,276</u></u>	<u><u>26,180,402</u></u>

HYMANS ROBERTSON LLP AND SUBSIDIARIES
REGISTERED NUMBER: OC310282

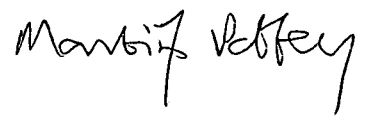
LLP BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2019

		2019 £	2018 £
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability	18	15,343,000	15,163,000
Other amounts		9,812,992	11,027,972
		<u>25,155,992</u>	<u>26,190,972</u>
Members' other interests			
Other reserves		(12,716)	(10,570)
		<u>25,143,276</u>	<u>26,180,402</u>
Total members' interests			
Amounts due from members	12	(2,047,038)	(1,478,606)
Loans and other debts due to members		25,155,992	26,190,972
Other reserves		(12,716)	(10,570)
		<u>23,096,238</u>	<u>24,701,796</u>

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 27 June 2019.



M J Pope
Designated member



M Potter
Member

The notes on pages 15 to 36 form part of these financial statements

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
Cash flows from operating activities		
Profit for the financial year	21,314,098	22,255,194
Adjustments for:		
Amortisation and impairment of intangible assets	1,762,552	1,475,035
Depreciation of tangible assets	1,631,758	1,600,039
Loss on disposal of tangible assets	29,989	6,602
Increase in debtors	(1,709,427)	(2,676,000)
Decrease in creditors	(697,553)	(2,202,580)
Increase/(decrease) in provisions	231,062	(90,284)
Net cash generated from operating activities before transactions with members	22,562,479	20,368,006
Members' remuneration charged as an expense	(21,496,441)	(23,045,844)
Net cash generated/(expended) from operating activities	1,066,038	(2,677,838)
Cash flows from investing activities		
Purchase of intangible fixed assets	(109,139)	(216,028)
Purchase of tangible fixed assets	(677,316)	(3,054,061)
Proceeds from sale of tangible fixed assets	20,160	12,734
Interest received	18,587	12,718
Net cash used in investing activities	(747,708)	(3,244,637)
Cash flows from financing activities		
Proceeds from lease finance	234,887	1,590,818
Repayment of asset finance and finance leases	(535,787)	(385,180)
Interest paid	(118,999)	(86,909)
Capital introduced by members	1,180,000	1,080,000
Capital repaid to members	(1,000,000)	(930,000)
Net cash (used in)/received from financing activities	(239,899)	1,268,729
Net increase/(decrease) in cash and cash equivalents	78,431	(4,653,746)
Cash and cash equivalents at beginning of year	5,724,948	10,378,694
Cash and cash equivalents at the end of year	5,803,379	5,724,948
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,803,379	5,724,948

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the entity's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Basis of consolidation

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

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

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

The LLP has taken advantage of section 408 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and has not included its own profit and loss account in these financial statements.

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of value added tax and disbursements.

The turnover from professional consultancy services we provide 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 (UK) LLP is recognised when the report is delivered to the subscriber. Any joining fees are recognised when the membership pack is delivered.

Insurance administration fees are recognised as they become due or when entitlement to the revenue is certain.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

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 FRS 102 section 23. 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 Intangible fixed assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Development costs are deferred and recognised as an intangible asset when all of the following criteria are demonstrated:

- The technical feasibility of completing the asset so that it will be available for use or sale.
- The intention to complete the asset development.
- The ability to use the developed asset or to sell it.
- How the developed asset will generate probable future economic benefits.
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the asset.
- The ability to measure reliably the expenditure attributable to the development.

All other research and development expenditure is recognised in the profit and loss account as it is incurred.

Amortisation is charged so as to allocate the cost of intangible assets less their residual values over their estimated useful lives, using the straight line method. The intangible assets are amortised over the following useful economic lives:

- Purchased software – 20% per annum straight line
- Deferred development costs – straight line over the period when expected future benefits will arise (maximum of 5 years)

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

1.6 Tangible fixed assets

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

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

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

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

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.

1.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment in the individual financial statements of Hymans Robertson LLP.

Investments in joint ventures are stated at the entity's share of net assets. The entity's share of the profits or losses of the joint venture are included in the profit and loss account using the equity accounting basis.

1.8 Short term 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.

1.9 Creditors

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

1.10 Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. Amounts not paid are shown in accruals as a liability in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

1. Accounting policies (continued)

1.11 Finance leases: Lessee

Assets held under finance leases are recognised in the balance sheet initially at the lower of the fair value of the leased asset or the present value of the minimum lease payments at the inception of the lease. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and a reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted from the profit and loss account. Assets held under finance leases are included in tangible assets and depreciated and assessed for impairment losses in the same way as owned assets.

1.12 Operating leases: Lessee

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Operating lease incentives are recognised as a reduction of the rental expense over the lease term on a straight line basis.

1.13 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".

1.14 Members' interests (after profit for the year)

Members subscribe capital in the proportion to their interest in the firm. Members' capital is generally only 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".

1.15 Taxation

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.

1.16 Provisions for liabilities

Provisions are recognised when the group 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. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. Accounting policies (continued)

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 group has a possible obligation as a result of past events, or where the group 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

2. Judgements in applying accounting policies and key sources of estimation uncertainty

Accounting judgements

Capitalisation of development expenditure

Development costs are deferred and recognised as an intangible asset where there is a clear plan to complete the development of an asset which will generate future economic benefit for the group by contributing to profit within a reasonable time frame. Judgement is used to assess the likelihood of the project generating future economic benefits. In order to do this detailed project plans are reviewed and sensitivity analysis run over the potential outturns to ensure the outturn is expected to be profitable. These plans include assessing that we have the available assets and resources in place and have identified an ability to use the asset or sell it. Expenditure will only be deferred, where it is directly attributable to the asset.

Once the asset is brought into use, it will be amortised over its' expected economic life (maximum of 5 years). At each balance sheet date the asset is tested for impairment by reforecasting the future economic benefit, to test if the development will still contribute to profits within a reasonable time frame.

Accounting estimates

Revenue on service contracts

Revenue on service contracts is recognised in the profit and loss account when the group has performed its obligations and in exchange obtained the right to consideration. In doing so, the group estimate the remaining time and costs to be incurred in completing contracts and the clients' willingness and ability to pay for the services provided. This estimate is initially performed by client directors based on their knowledge of the work being performed. Management perform a further review of amounts billed after the balance sheet date in order to refine the estimate.

Trade debtors

The group make certain estimates as to the fair value of trade debtors including unbilled work in progress at the balance sheet date by asking our client directors to estimate the likely value that will be recovered. After the balance sheet date we review the amounts paid and billed prior to the financial statements being finalised and reflect any material variances in the financial statements to reflect management's best estimate of the trade debtors fair value at the balance sheet date.

Provisions for compensation payments

The group from time to time receives claims in respect of professional service matters. It defends such claims where appropriate and makes provision for the possible amounts considered likely to be payable, up to the deductible, under the group's related insurance arrangements. Estimates of the value of any claim is arrived at by reviewing the validity and merits of the claim in order to assess the potential settlement level.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

3. Analysis of turnover

An analysis of turnover by class of business is as follows:

	2019 £	2018 £
Rendering of consultancy services	83,809,960	79,498,187
Subscription revenue	767,999	811,118
Insurance administration fees	711,898	1,344,332
	<u>85,289,857</u>	<u>81,653,637</u>

4. Operating profit

The operating profit is stated after charging:

	2019 £	2018 £
Operating lease rentals	2,267,479	2,429,596
Depreciation of tangible fixed assets	1,631,758	1,600,039
Amortisation of intangible assets	1,482,724	1,475,035
Impairment of intangible assets	279,828	-
Exchange differences	6,302	4,067
Loss on disposal of tangible and intangible assets	<u>29,988</u>	<u>6,602</u>

5. Auditor's remuneration

	2019 £	2018 £
Audit services	51,500	50,000
Fees payable to the group's auditor in respect of:		
Investment tracking reports	8,000	8,000
All other services	35,500	14,000
	<u>95,000</u>	<u>72,000</u>

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

6. Employees

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	34,598,083	32,726,639
Social security costs	4,328,242	4,077,954
Cost of defined contribution scheme	5,135,841	4,642,531
	<u>44,062,166</u>	<u>41,447,124</u>

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

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

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

	2019 No.	2018 No.
Fee earners	487	434
Non fee earners	273	286
	<u>760</u>	<u>720</u>

The average male and female split was 46% male and 54% female.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

7. Information in relation to members

	2019 Number	2018 Number
The average number of members during the year was	74	72
	£	£
The amount of profit attributable to the member with the largest entitlement was	708,311	794,708

8. Interest payable and similar expenses

	2019 £	2018 £
Interest payable to former members	76,446	41,345
Interest payable on finance lease	36,254	35,530
Interest payable on asset finance	6,299	10,034
	118,999	86,909

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Intangible assets

Group

	IT software £	Development expenditure £	Total £
Cost			
At 1 April 2018	3,021,547	5,588,535	8,610,082
Additions	109,139	-	109,139
Disposals	(154,354)	-	(154,354)
At 31 March 2019	<u>2,976,332</u>	<u>5,588,535</u>	<u>8,564,867</u>
Amortisation			
At 1 April 2018	1,822,231	2,561,391	4,383,622
Charge for the year	364,987	1,117,737	1,482,724
Disposals	(104,205)	-	(104,205)
Impairment	-	279,828	279,828
At 31 March 2019	<u>2,083,013</u>	<u>3,958,956</u>	<u>6,041,969</u>
Net book value			
At 31 March 2019	<u>893,319</u>	<u>1,629,579</u>	<u>2,522,898</u>
At 31 March 2018	<u>1,199,316</u>	<u>3,027,144</u>	<u>4,226,460</u>

Included within the cost of IT software above are assets in the process of development totalling £85,000 (2018: £76,427) and therefore no amortisation is yet being charged.

The development expenditure is lower than the corresponding figure in the LLP as a consequence of the margin on intra group charges which is eliminated in the consolidated group figures.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

9. Intangible assets (continued)

LLP

	IT software £	Development expenditure £	Total £
Cost			
At 1 April 2018	3,021,547	5,825,059	8,846,606
Additions	109,139	-	109,139
Disposals	(154,354)	-	(154,354)
At 31 March 2019	<u>2,976,332</u>	<u>5,825,059</u>	<u>8,801,391</u>
Amortisation			
At 1 April 2018	1,822,231	2,669,822	4,492,053
Charge for the year	364,987	1,165,009	1,529,996
Disposals	(104,205)	-	(104,205)
Impairment	-	291,384	291,384
At 31 March 2019	<u>2,083,013</u>	<u>4,126,215</u>	<u>6,209,228</u>
Net book value			
At 31 March 2019	<u>893,319</u>	<u>1,698,844</u>	<u>2,592,163</u>
At 31 March 2018	<u>1,199,316</u>	<u>3,155,237</u>	<u>4,354,553</u>

Included within the cost of IT software above are assets in the process of development totalling £85,000 (2018: £76,427) and therefore no amortisation is yet being charged.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Tangible fixed assets

Group

	Leasehold improvements £	IT equipment £	Other equipment £	Total £
Cost				
At 1 April 2018	6,540,014	4,158,879	1,145,176	11,844,069
Additions	-	566,589	110,727	677,316
Disposals	(1,837)	(190,994)	(45,696)	(238,527)
At 31 March 2019	6,538,177	4,534,474	1,210,207	12,282,858
Depreciation				
At 1 April 2018	4,644,533	2,071,996	782,328	7,498,857
Charge for the year	669,174	886,366	76,218	1,631,758
Disposals	(1,837)	(190,994)	(45,696)	(238,527)
At 31 March 2019	5,311,870	2,767,368	812,850	8,892,088
Net book value				
At 31 March 2019	1,226,307	1,767,106	397,357	3,390,770
At 31 March 2018	1,895,481	2,086,883	362,848	4,345,212

Included within IT equipment are assets held under finance leases with a net book value of £1,251,245 (2018: £1,417,274).

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Tangible fixed assets (continued)

LLP

	Leasehold improvements £	IT equipment £	Other equipment £	Total £
Cost				
At 1 April 2018	6,540,014	4,158,879	1,145,176	11,844,069
Additions	-	566,589	110,727	677,316
Disposals	(1,837)	(190,994)	(45,696)	(238,527)
At 31 March 2019	6,538,177	4,534,474	1,210,207	12,282,858
Depreciation				
At 1 April 2018	4,644,533	2,071,996	782,328	7,498,857
Charge for the year	669,174	886,366	76,218	1,631,758
Disposals	(1,837)	(190,994)	(45,696)	(238,527)
At 31 March 2019	5,311,870	2,767,368	812,850	8,892,088
Net book value				
At 31 March 2019	1,226,307	1,767,106	397,357	3,390,770
At 31 March 2018	1,895,481	2,086,883	362,848	4,345,212

Included within IT equipment are assets held under finance leases with a net book value of £1,251,245 (2018: £1,417,274).

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

11. Fixed asset investments

The group holds a 50% interest in like minds (UK) Limited, a creative communications company incorporated in England and Wales. In the year to 31 March 2017 Hymans Robertson LLP's investment in like minds (UK) Limited was written down to £nil. Hymans Robertson LLP's share of like minds (UK) Limited's loss for the year ended 31 March 2019 is £56,673. The loss of £56,673 has been included within administrative expenses and recorded within provisions.

LLP

	Investments in subsidiary companies £	Investment in joint ventures £	Total £
At 1 April 2018	1,004	2	1,006
At 31 March 2019	1,004	2	1,006

The company holds a 50% interest in like minds (UK) Limited, a creative communications company incorporated in England and Wales.

Hymans On-Line Limited changed its name to Zimm Financial Services Limited on 24 April 2019.

On 23 May 2019, Club Vita LLP changed its name to Club Vita (UK) LLP.

The following were subsidiary undertakings of the LLP:

Name	Country of Incorporation	Proportion of ordinary shares or members' rights held	Nature of business
Club Vita (UK) LLP	England and Wales	100%	Research into the longevity of members of occupational pension schemes within the UK
Club Vita US, LLC	United States of America	99.9%	Non-trading
Hymans Limited	England and Wales	100%	Non-trading
Hymans Robertson DIS Limited	England and Wales	100%	Corporate trustee of the group death in service scheme
Zimm Financial Services Limited	England and Wales	100%	Non-trading

On 23 May 2019, Hymans Robertson LLP acquired an interest in a new subsidiary undertaking, which took the now vacant name, Club Vita LLP.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Debtors

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Trade debtors	14,688,923	13,552,320	14,541,658	13,344,720
Amounts owed by group undertakings	-	-	262,615	-
Amounts owed by joint venture	752,351	770,105	752,351	770,105
Other debtors	255,197	167,749	255,197	167,749
Prepayments and accrued income	3,640,183	3,026,227	3,597,434	2,990,697
Amounts recoverable on long term contracts	8,445,476	8,556,302	8,445,476	8,556,301
Amounts due from members	2,047,038	1,478,606	2,047,038	1,478,606
	<u>29,829,168</u>	<u>27,551,309</u>	<u>29,901,769</u>	<u>27,308,178</u>

A provision for impairment of £702,280 (2018: £79,804) was recognised against debtors within the group and £692,280 (2018: £79,804) within the LLP.

13. Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Finance leases	392,908	326,705	392,908	326,705
Asset finance	132,659	157,333	132,659	157,333
Trade creditors	414,271	209,892	414,271	209,892
Amounts owed to group undertakings	-	-	-	53,223
Taxation and social security	3,729,967	3,243,528	3,687,929	3,190,728
Leasehold incentives	28,768	541,033	28,768	541,033
Accruals and deferred income	5,458,869	5,295,581	5,104,065	4,928,053
Amounts owed to former members	874,150	606,900	874,150	606,900
Other creditors	20,009	12,020	20,009	12,020
	<u>11,051,601</u>	<u>10,392,992</u>	<u>10,654,759</u>	<u>10,025,887</u>

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Finance leases	851,171	1,060,942	851,171	1,060,942
Asset finance	66,330	198,989	66,330	198,989
Leasehold incentives	995,172	1,070,225	995,172	1,070,225
Amounts owed to former members	1,140,411	879,333	1,140,411	879,333
	3,053,084	3,209,489	3,053,084	3,209,489

The leasehold incentive creditor represents the cash incentive / rent free periods received upon taking the leases on new offices in London in March 2006, Edinburgh in August 2009, Birmingham in January 2011 and Glasgow in November 2018. These are being released back to the profit and loss account over the term of the lease (15 years for Glasgow, London and Edinburgh and 10 years for Birmingham).

The asset finance balances have varying terms with the longest period of repayment ending in June 2020. The interest rate being charged on the balance is 2% above the Bank of England base rate.

The LLP has entered into a lease agreement for IT servers. This lease is shown as a finance lease with the above values representing the present value of the future remaining lease payments. The lease expires in April 2022.

15. Commitments under finance leases

At 31 March 2019 the group and the LLP had future minimum lease payments under finance leases as follows:

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Not later than 1 year	392,908	358,053	392,908	358,053
Later than 1 year and not later than 5 years	851,171	1,103,995	851,171	1,103,995
Total	1,244,079	1,462,048	1,244,079	1,462,048

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

16. Financial instruments

	Group 2019 £	Group 2018 £	LLP 2019 £	LLP 2018 £
Financial assets measured at amortised cost	21,356,388	20,086,307	21,001,305	19,753,733
Financial liabilities measured at amortised cost	(7,621,876)	(6,695,641)	(7,579,838)	(6,696,064)

Financial Risk Management

The group is exposed through its operations to the following financial risks:

- Liquidity risk
- Credit risk

The group's policies for financial risk management are outlined below:

Liquidity risk

Liquidity risk is the risk that the group will not be able to meet its financial obligations as they fall due. The group's approach to managing liquidity risk is to ensure that we will always have sufficient liquidity to meet our liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or damage to our reputation.

Liquidity risk is managed by regularly reviewing cash requirements by reference to short term cash flow forecasts and medium term working capital projections prepared by the management team. In the event that operating cash flows would not cover all the financial obligations, the group would be able to use existing credit facilities.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the group. Credit risk arises principally on the group's trade debtors and other receivables. This risk is mitigated principally by the strong on-going relationships we have with our clients. In addition, the group has an established credit policy under which each new client is assessed for their creditworthiness and existing clients are reviewed on a periodic basis.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. Provisions

Group

	Holiday pay provision £	Other provisions £	Total £
At 1 April 2018	920,000	1,438,421	2,358,421
Provided during the year	1,040,000	482,538	1,522,538
Utilised during the year	(920,000)	(222,526)	(1,142,526)
Released during the year	-	(148,950)	(148,950)
At 31 March 2019	1,040,000	1,549,483	2,589,483

The holiday pay provision represents holiday and sabbatical balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable (including employers' national insurance) for the period of absence discounted to present value.

Provisions for property liabilities and compensation payments are included within other provisions above. Amounts provided for compensation payments are reviewed at each year end based on the likely outcome of potential claims against the group.

LLP

	Holiday pay provision £	Other provisions £	Total £
At 1 April 2018	920,000	1,273,145	2,193,145
Provided during the year	1,040,000	425,866	1,465,866
Utilised during the year	(920,000)	(222,526)	(1,142,526)
Released during the year	-	(148,950)	(148,950)
At 31 March 2019	1,040,000	1,327,535	2,367,535

The holiday pay provision represents holiday and sabbatical balances accrued as a result of services rendered in the current period and which employees are entitled to carry forward. The provision is measured as the salary cost payable (including employers' national insurance) for the period of absence discounted to present value.

Provisions for property liabilities and compensation payments are included within other provisions above. Amounts provided for compensation payments are reviewed at each year end based on the likely outcome of potential claims against the group.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

18. Reconciliation of members' interests

	Members' capital £	Loans and other debts due to members £	Total £
Group members' interests			
At 1 April 2017	15,397,000	11,568,269	26,965,269
Members' remuneration charged as an expense	-	22,181,003	22,181,003
	<u>15,397,000</u>	<u>33,749,272</u>	<u>49,146,272</u>
Introduced by members	1,080,000	-	1,080,000
Repaid to members	(930,000)	-	(930,000)
Transfer from capital to current account	(384,000)	384,000	-
Drawings	-	(12,095,307)	(12,095,307)
Taxation paid on behalf of members	-	(10,950,537)	(10,950,537)
Transfer of former members' balances to creditors	-	(1,842,007)	(1,842,007)
	<u>15,163,000</u>	<u>9,245,421</u>	<u>24,408,421</u>
At 31 March 2018	15,163,000	9,245,421	24,408,421
Members' remuneration charged as an expense	-	21,213,686	21,213,686
	<u>15,163,000</u>	<u>30,459,107</u>	<u>45,622,107</u>
Introduced by members	1,180,000	-	1,180,000
Repaid to members	(1,000,000)	-	(1,000,000)
Transfer from capital to current account	-	-	-
Drawings	-	(12,165,415)	(12,165,415)
Taxation paid on behalf of members	-	(9,331,026)	(9,331,026)
Transfer of former members' balances to creditors	-	(1,500,657)	(1,500,657)
	<u>15,343,000</u>	<u>7,462,009</u>	<u>22,805,009</u>
At 31 March 2019	15,343,000	7,462,009	22,805,009

On retirement equity members' capital is repayable over five years. As a result of the notice period required, the total amount for current equity members is considered to be repayable after one year. At 31 March 2019 the total capital of equity members has a value of £11,928,000 (2018: £11,888,000). Associate members' capital is repayable over three years upon retirement and at 31 March 2019 this has a value of £3,415,000 (2018: £3,275,000). 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 totalling £2,177,656 (2018: £2,439,957) which are repayable after one year.

HYMANS ROBERTSON LLP AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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 2017	15,397,000	11,872,214	(12,095)	27,257,119
Members' remuneration charged as an expense	-	22,181,003	-	22,181,003
Result for year available for discretionary division among members	-	-	1,525	1,525
	15,397,000	34,053,217	(10,570)	49,439,647
Introduced by members	1,080,000	-	-	1,080,000
Repaid to members	(930,000)	-	-	(930,000)
Transfer from capital to current account	(384,000)	384,000	-	-
Drawings	-	(12,095,307)	-	(12,095,307)
Taxation paid on behalf of members	-	(10,950,537)	-	(10,950,537)
Transfer of former members' balances to creditors	-	(1,842,007)	-	(1,842,007)
At 31 March 2018	15,163,000	9,549,366	(10,570)	24,701,796
Members' remuneration charged as an expense	-	21,213,686	-	21,213,686
Result for the year available for discretionary division among members	-	-	(2,146)	(2,146)
	15,163,000	30,763,052	(12,716)	45,913,336
Introduced by members	1,180,000	-	-	1,180,000
Repaid to members	(1,000,000)	-	-	(1,000,000)
Transfer from capital to current account	-	-	-	-
Drawings	-	(12,165,415)	-	(12,165,415)
Taxation paid on behalf of members	-	(9,331,026)	-	(9,331,026)
Transfer of former members' balances to creditors	-	(1,500,657)	-	(1,500,657)
At 31 March 2019	15,343,000	7,765,954	(12,716)	23,096,238

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

On retirement equity members' capital is repayable over five years. As a result of the notice period required the total amount for current equity members is considered to be repayable after one year. At 31 March 2019 the total capital of equity members has a value of £11,928,000 (2018: £11,888,000). Associate members' capital is repayable over three years upon retirement and at 31 March 2019 this has a value of £3,415,000 (2018: £3,275,000). 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 totalling £2,177,656 (2018: £2,439,957) 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 2019 is £21,211,529 (2018: £22,182,493). This includes an allocation of the profit of Club Vita (UK) LLP of £28,015 (2018: £24,543).

19. Commitments under operating leases

At 31 March 2019 the group and the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £	<i>Group</i> <i>2018</i> £	LLP 2019 £	<i>LLP</i> <i>2018</i> £
Not later than 1 year	2,603,110	2,879,941	2,603,110	2,879,941
Later than 1 year and not later than 5 years	6,430,302	5,192,392	6,430,302	5,192,392
Later than 5 years	11,159,862	478,333	11,159,862	478,333
	20,193,274	8,550,666	20,193,274	8,550,666

This includes the combined commitment for office rentals up to the lease expiration date.

In November 2018 the group and the LLP renewed the Glasgow office lease for an additional 15 years.

20. Related party transactions

The group has taken advantage of the exemptions allowed under FRS 102 enabling it not to report related party transactions between wholly owned subsidiaries.

In the year to 31 March 2019 the group has provided services in relation to like minds (UK) Limited (a company in which it owns 50% of the equity) to a value of £106,143 (2018: £113,218) and purchased services from like minds (UK) Limited of £690,990 (2018: £481,514). The outstanding amounts owed by like minds (UK) Limited to the group at 31 March 2019 amount to £752,351 (2018: £770,105).

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

The key management personnel comprises the Board and Partnership Council and the composition of both changes periodically. During the year these groups consisted of 15 people (2018: 14), all of whom were members of the LLP, and who received compensation amounting to £7,149,952 (2018: £8,203,137).

HYMANS ROBERTSON LLP AND SUBSIDIARIES

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

21. 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.