

COLLYER BRISTOW LLP

MEMBERS' REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MAY 2011



COLLYER BRISTOW LLP

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COLLYER BRISTOW LLP

Limited Liability Partnership Information

Designated Members	P J Sillis I R Woolfe J D Saner
Limited Liability Partnership number	OC318532
Registered Office	4 Bedford Row London WC1R 4DF
Auditors	Beavis Morgan Audit Limited 82 St John Street London EC1M 4JN
Bankers	C Hoare & Co 37 Fleet Street London EC4P 4DQ

COLLYER BRISTOW LLP

Members Report for the year ended 31 May 2011

The members present their report and financial statements for the year ended 31 May 2011

Principal activity

The principal activity of the firm is provision of legal services from its main office in London and through a branch in Geneva

Review of the business

These financial statements reflect the results from 1 June 2010 to 31 May 2011

Successful integration of new personnel at all levels together with continuing strong performances in our Dispute Resolution and Tax and Estate Planning practices saw the firm's turnover grow by 6.7% in the year. Profits were also higher with a 4% increase year on year, the difference in growth rates reflecting continuing investment for the future in personnel during the year.

The LLP continues to hold the Law Society's Lexcel quality standard and is an accredited Investor in People.

Designated members

The following designated members have held office since 1 June 2010

Paul Jeremy Sillis
Ian Roger Woolfe
John Donaldson Saner

Policy on members' drawings and capital

There have been no changes in the members' drawing policy in the year. It allows each member to draw a proportion of their profit share, subject to the cash requirements of the business.

A member's capital requirement is specified by the members' agreement.

Statement of members' responsibilities

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

Company Law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law, the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the limited liability partnership and of the profit or loss of the limited liability partnership for that year. In preparing those financial statements, the members are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- state whether applicable 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 limited liability partnership will continue in business.

COLLYER BRISTOW LLP

Members Report for the year ended 31 May 2011

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

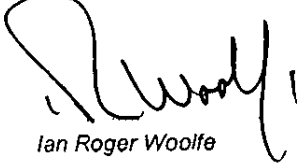
Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditors are unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to make themselves aware of all relevant audit information and to establish that the limited liability partnership's auditors are aware of that information.

Auditors

Beavis Morgan Audit Limited were appointed auditors to the limited liability partnership and in accordance with section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), a resolution proposing that they be re-appointed will be put to the next members' meeting.

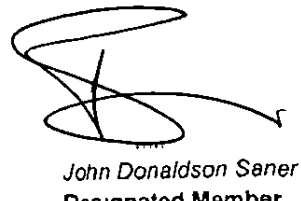
On behalf of the members



Ian Roger Woolfe
Designated Member



Paul Jeremy Sillis
Designated Member



John Donaldson Saner
Designated Member

Dated

21 February 2012

COLLYER BRISTOW LLP

Profit & Loss Account for the year ended 31 May 2011

	Notes	2011 £'000	2010 £'000
Turnover	2	14,447	13,531
Other operating income		19	12
		<hr/>	<hr/>
		14,466	13,543
Staff Costs	5	(5,450)	(5,205)
Depreciation	7	(258)	(263)
Other operating expenses		(3,453)	(3,060)
Profit on disposal of investments		4	-
Impairment on investment in shares		(60)	-
Operating Profit	3	<hr/>	<hr/>
		5,249	5,015
Interest receivable and similar income		35	33
Interest payable and similar charges	6	(83)	(63)
		<hr/>	<hr/>
Profit for the financial year before members' remuneration and profit shares		5,201	4,985
Member's remuneration charged as an expense		<hr/>	<hr/>
		(5,201)	(4,985)
Result for the financial year available for discretionary division among members		<hr/>	<hr/>
		-	-

The above results were generated from continuing operations

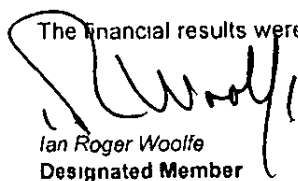
There are no recognised gains and losses other than those passing through the profit and loss account

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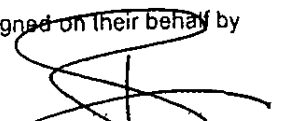
Balance Sheet as at 31 May 2011

	Notes	2011 £'000	2010 £'000
Fixed Assets			
Tangible Fixed Assets	7	1,295	1,373
Investments		<u>2</u>	<u>-</u>
		<u>1,297</u>	<u>1,373</u>
Current Assets			
Work in progress	8	207	256
Amounts recoverable on contracts	8	1,072	1,282
Trade Debtors		4,281	3,708
Amounts due from members		6	15
Other debtors and prepayments	9	510	555
Cash at bank and in hand		<u>50</u>	<u>43</u>
		<u>6,126</u>	<u>5,859</u>
Creditors' amounts falling due within one year			
Bank overdraft and loans	10	1,363	1,180
Other creditors and accruals	11	<u>1,893</u>	<u>1,540</u>
Current Liabilities		<u>3,256</u>	<u>2,720</u>
Net Current Assets		<u>2,870</u>	<u>3,139</u>
Total Assets less current liabilities		<u>4,167</u>	<u>4,512</u>
Creditors' amounts falling due after more than one year			
Bank and other loans	12	654	738
Other creditors	13	<u>78</u>	<u>52</u>
		<u>732</u>	<u>790</u>
Provision for liabilities			
Other provisions	14	<u>405</u>	<u>424</u>
		<u>405</u>	<u>424</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>3,030</u>	<u>3,298</u>
REPRESENTED BY			
Loans and other debts due to members within one year			
Members capital classified as a liability under FRS25		-	34
Other amounts		<u>1,691</u>	<u>1,960</u>
		<u>1,691</u>	<u>1,994</u>
Loans and other debts due to members after more than one year			
Members capital classified as a liability under FRS25		<u>1,339</u>	<u>1,304</u>
		<u>3,030</u>	<u>3,298</u>
TOTAL MEMBERS INTERESTS			
Amounts due from members		(6)	(15)
Loans and other debts due to members		<u>3,030</u>	<u>3,298</u>
		<u>3,024</u>	<u>3,283</u>

The financial results were approved by members on 21 February 2012 and signed on their behalf by


Ian Roger Woolfe
Designated Member


Paul Jeremy Sillis
Designated Member


John Donaldson Saner
Designated Member

Limited Liability Partnership number OC318532

COLLYER BRISTOW LLP

Statement of Members Interests for the year ended 31 May 2011

	Loans & other debts due to/(from) members £000
Amounts due to members	3,298
Amounts due from members	(15)
Balance at 1 June 2010	<u>3,283</u>
Members remuneration charged as an expense	<u>5,201</u>
Members interest after profit for the year	8,484
Introduced by members	35
Repayments of capital classified as a liability under FRS 25	(34)
Drawings	(5,419)
Former members balances to creditors	<u>(36)</u>
Amounts due to members	3,030
Amounts due from members	(6)
Balance as at 31 May 2011	<u><u>3,024</u></u>

Capital is repaid to members upon cessation of membership of the limited liability partnership and so is presented above in amounts due to members

In the event of Collyer Bristow LLP going into administration or being wound up, loans and other debts due to members ranks after unsecured creditors who are not members of Collyer Bristow LLP

COLLYER BRISTOW LLP

Cash Flow Statement for the year ended 31st May 2011

	Note	2011 £'000	2011 £'000	2010 £'000	2010 £'000
Net cash flow from operating activities	1		5,559		5,176
Returns on investments and servicing of finance					
Interest received		35		33	
Interest element of HP and leases		(17)		(14)	
Interest paid		<u>(66)</u>	(48)	<u>(49)</u>	(30)
Capital expenditure					
Payments to acquire tangible fixed assets			(31)		(23)
Transactions with members and former members					
Payments to members		(5,459)		(5,393)	
Contributions by members		<u>35</u>	(5,424)	<u>185</u>	(5,208)
Financing					
Capital element of HP and leases		(75)		(67)	
Loan finance raised		601		739	
Loan repayments		<u>(825)</u>	(299)	<u>(777)</u>	(105)
Decrease in Cash			<u>(243)</u>		<u>(190)</u>

Note 1 Reconciliation of operating profit to net cash inflow from operating activities

	2011 £'000	2010 £'000
Operating profit	5,249	5,015
Depreciation charges	258	263
Decrease in other provisions	(19)	(21)
(Increase)/decrease in work in progress	49	(30)
Decrease/(increase) in amounts recoverable on contracts	210	100
(Increase)/decrease in debtors	(528)	(319)
Increase/(decrease) in creditors	337	168
(Profit)Loss on disposal of fixed assets	4	
Net cash Inflow from operating activities	<u>5,559</u>	<u>5,176</u>

COLLYER BRISTOW LLP

Cash Flow Statement for the year ended 31st May 2011

Note 2 Reconciliation of net cash flow to movement in net debt

	2011 £'000	2010 £'000
Decrease in cash in period	(243)	(190)
Decrease in debt and lease financing	46	105
Decrease in loans and other amounts due to members	268	283
	<u>71</u>	<u>198</u>
Net debt at start of year	(5,264)	(5,462)
Net debt at end of year	<u>(5,193)</u>	<u>(5,264)</u>

Note 3 Analysis of changes in net debt

	At 1st June 2010	Cash flows	Other Changes	At 31 May 2011
Cash in hand and at bank	43	7	-	50
Overdrafts	(907)	(250)	-	(1,157)
	<u>(864)</u>	<u>(243)</u>	<u>-</u>	<u>(1,107)</u>
Debt due within 1 year	(273)	67	-	(206)
HP and loans	(91)	(72)	(33)	(196)
Debt due after 1 year	(738)	84	-	(654)
	<u>(1,102)</u>	<u>79</u>	<u>(33)</u>	<u>(1,056)</u>
Loans and other debts due to members within 1 year	(1,994)	303	-	(1,691)
Loans and other debts due to members after 1 year	(1,304)	(35)	-	(1,339)
	<u>(3,298)</u>	<u>268</u>	<u>-</u>	<u>(3,030)</u>
Total	<u>(5,264)</u>	<u>104</u>	<u>(33)</u>	<u>(5,193)</u>

COLLYER BRISTOW LLP

Notes to the Financial Statements for the year ended 31 May 2011

1 Accounting Policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention of accounting and have been prepared in accordance with applicable accounting standards

The financial statements have been prepared on the going concern basis, which assumes that the LLP will continue in operational existence for the foreseeable future. Based on current and projected trading information for a period in excess of 12 months from the date of approval of these financial statements, the members expect that the LLP will have sufficient cash resources available to continue to trade for the foreseeable future. If the members' expectations concerning future trading are not realised, the LLP may require more resources. In such circumstances the members may elect to reduce their monthly drawings to cover any deficit.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice) and the Limited Liability Partnership Statement of Recommended Practice, which have been applied consistently (except as otherwise stated).

1.3 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 less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold land and buildings - 15 years straight line
Office Equipment - 3 to 7 years (dependent on estimated life of asset) straight line
Fixtures & Fittings - 7 years straight line

Artworks (included in fixtures & fittings) are not depreciated due to the high residual value of the assets.

1.4 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.5 Taxation

Full provision has been made in the accounts for the liabilities of Senior Members in respect of final liability to Schedule D Case 1 taxation and class IV national insurance contributions. No provision has been made for the tax and national insurance liabilities of Junior Members, who are responsible for meeting their own liabilities.

1.6 Amounts recoverable under contracts and work in progress

Work in progress is generally valued at the amounts expected to be recovered and is recognised as "amounts recoverable under contracts" in the balance sheet. Exceptionally, where the right to consideration had not been received, work in progress is valued at the lower of cost and net realisable value in accordance with SSAP 9.

1.7 Treatment of operating and finance leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives.

Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Pensions

The limited liability partnership operates a defined contribution scheme for the benefit of employees. Contributions payable are charged to the profit and loss account in the year they are payable.

COLLYER BRISTOW LLP

Notes to the Financial Statements for the year ended 31 May 2011

2 Turnover

Turnover represents the amounts receivable for the provision of legal services and is net of VAT and discounts

3 Operating Profit

	2011 £'000	2010 £'000
Operating profit is stated after charging		
Depreciation of tangible assets	258	263
Operating lease rentals - land and buildings	551	551
Auditor's remuneration (including Accountant's report to the Solicitors Regulation Authority)	20	22
Remuneration of auditors for non-audit work	4	6
Pension contributions payable by the firm	71	70

4 Members

	2011 Members	2010 Members
Average number of members during the year	31	28
	2011 Member £'000	2010 Member £'000
The share of profit to the member with the largest entitlement was	326	277

5 Employees

(a) Average number of persons employed during the year in the provision of legal services

	2011	2010
Non member solicitors and other fee earners	35	34
Administration & secretarial	49	50

(b) Employment costs

	2011 £'000	2010 £'000
Wages and salaries	4,331	4,245
Social security costs	472	447
Other pension costs and benefits	163	157
Other employment costs	484	356
	<u>5,450</u>	<u>5,205</u>

COLLYER BRISTOW LLP

Notes to the Financial Statements for the year ended 31 May 2011

6 Interest payable and similar charges	2011	2010
	£'000	£'000
Interest payable on		
Bank overdrafts and loans	79	66
Lease and HP finance charges allocated for the year	17	14
Client deposits	(14)	(17)
	<u>82</u>	<u>63</u>

7 Tangible fixed assets

	Short leasehold land & buildings £'000	Office Equipment £'000	Fixtures and fittings £'000	Total £'000
<u>Cost</u>				
At 1st June 2010	1,342	1,215	234	2,791
Additions	-	173	7	180
Disposals	-	-	-	-
At 31st May 2011	<u>1,342</u>	<u>1,388</u>	<u>241</u>	<u>2,971</u>
<u>Depreciation</u>				
At 1st June 2010	422	914	82	1,418
Charge for the year	93	143	22	258
On disposals	-	-	-	-
At 31st May 2011	<u>515</u>	<u>1,057</u>	<u>104</u>	<u>1,676</u>
<u>Net book value at 31st May 2011</u>	<u>827</u>	<u>331</u>	<u>137</u>	<u>1,295</u>
<u>Net book value at 31st May 2010</u>	<u>920</u>	<u>301</u>	<u>152</u>	<u>1,373</u>

	2011	2010
	£'000	£'000
Tangible fixed assets held under HP and finance leases		
Office equipment at cost	763	615
Less accumulated depreciation	(588)	(530)
Net Book Value	<u>175</u>	<u>85</u>

8 Work in progress and Debtors

	2011	2010
	£'000	£'000
Work in progress at cost	<u>207</u>	<u>256</u>
Amounts recoverable on contracts	<u>1,072</u>	<u>1,282</u>

9 Other Debtors & Prepayments

	2011	2010
	£'000	£'000
Other debtors	68	70
Prepayments and accrued income	<u>442</u>	<u>485</u>
	<u>510</u>	<u>555</u>

COLLYER BRISTOW LLP

Notes to the Financial Statements for the year ended 31 May 2011

10 Bank overdrafts & loans. amounts falling due within one year	2011 £'000	2010 £'000
Bank overdraft	1,157	907
Bank loan - secured	84	84
Bank loan - unsecured	122	189
	<u>1,363</u>	<u>1,180</u>

The bank overdraft is secured by a guarantee and indemnity given by senior members

The bank loan is secured by a legal charge over the lease of premises occupied by the LLP at 4 Bedford Row London WC1R 4DF

11 Other Creditors & Accruals amounts falling due within one year	2011 £'000	2010 £'000
Trade creditors	909	542
Taxes & social security (including VAT)	478	549
Other creditors	40	51
Obligations under finance leases and hire purchase contracts	118	39
Accruals and deferred income	348	359
	<u>1,893</u>	<u>1,540</u>

Finance Leases are secured over the related fixed assets

12 Creditors amounts falling due after one year	2011 £'000	2010 £'000
Bank loan	<u>654</u>	<u>738</u>
Analysis of loans		
Not wholly repayable within 5 years by instalments	318	402
Wholly repayable within 5 years	<u>420</u>	<u>420</u>
	738	822
Included in current liabilities	<u>(84)</u>	<u>(84)</u>
	<u>654</u>	<u>738</u>
Instalments not due within 5 years	<u>318</u>	<u>402</u>

The bank loan is secured by a legal charge over the lease of premises occupied by the LLP at 4 Bedford Row London WC1R 4DF. The agreement with the Bank is that the loan is repayable over the term of the lease but as is customary the Bank has an overriding condition that allows for repayment on demand

13 Creditors. amounts falling due after one year	2011 £'000	2010 £'000
Obligations under finance lease and hire purchase contracts	<u>78</u>	<u>52</u>

14 Provisions for liabilities and charges

Provision for negligence claims - at 1 June 2010	424
New provisions	105
Provisions released	<u>(124)</u>
At 31 May 2011	<u>405</u>

The firm makes a provision for the expected cost of defending or settling all known professional negligence claims where the nature of the claim is deemed to be valid and the expense is not recoverable from our Professional Indemnity Insurance

COLLYER BRISTOW LLP

Notes to the Financial Statements for the year ended 31 May 2011

15 Financial Commitments

At 31 May 2011 the limited liability partnership had annual commitments under non-cancellable operating leases as follows

	2011	2010
	£'000	£'000
Expiry date		
In over 5 years	513	513

16 Related party transactions

Related party transactions occurred with members of the firm during the normal course of funding of the business

17 Controlling Party

The LLP is controlled by the members

COLLYER BRISTOW LLP

Independent Auditors' Report to the Members of Collyer Bristow LLP

We have audited the financial statements of Collyer Bristow LLP for the year ended 31 May 2011 set out on pages 6 to 15. 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 limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Respective responsibilities of the members and auditors

As explained more fully in the Members' Responsibilities Statement set out on pages 4 & 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the limited liability partnership's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the designated members, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 May 2011 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.

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

Beavis Morgan Audit Ltd

Matthew Burge (Senior Statutory Auditor)
for and on behalf of Beavis Morgan Audit Limited

Dated *22 February 2012*

Chartered Accountants
Statutory Auditor

82 St John Street
London
EC1M 4JN