

Company registration number: OC325971

MAXWELL WINWARD LLP

**ANNUAL REPORT
FOR THE YEAR ENDED
31 MARCH 2017**

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MAXWELL WINWARD LLP

CONTENTS

| | Page |
|---|----------|
| Information | 1 |
| Members' Report | 2 |
| Independent Auditors' Report | 4 |
| Profit and Loss Account | 6 |
| Balance Sheet | 7 |
| Reconciliation of Members' Interests | 8 |
| Notes to the Financial Statements | 9 |

The following pages do not form part of the statutory financial statements:

| | |
|---|-----------|
| Detailed Profit and Loss Account and Summaries | 16 |
|---|-----------|

MAXWELL WINWARD LLP

INFORMATION

| | |
|------------------------------|--|
| Designated Members | Mr A. P. S. Luto Mr J. Hennessey |
| Members | Mr M. D. Geiss Mr C. A. Levontine Mr I. W. McIntyre (resigned 31 May 2017) Mr S. D. G. Nicholson Ms O. B. A. O'Sullivan Mr R. T. Carmedy (resigned 16 May 2016) Mr C. F. J. North (resigned 31 March 2017) |
| LLP registered number | OC325971 |
| Registered office | c/o F. W. Smith, Riches & Co. 15 Whitehall London SW1A 2DD |
| Independent auditors | F. W. Smith, Riches & Co. Chartered Accountants & Statutory Auditors 15 Whitehall London SW1A 2DD |

MAXWELL WINWARD LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2017

The members present their annual report together with the audited financial statements of Maxwell Winward LLP for the year ended 31 March 2017.

Principal activity

The principal activity of the LLP is the provision of legal services.

Designated members

The following were designated members during the year

Mr A. P. S. Luto
Mr J. Hennessey

Members' drawings and subscription and repayment of members' capital

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to inject capital proportionate to profit sharing ratios over a period of time. On leaving, capital is repaid to members over a period following resignation.

Members' responsibilities statement

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law as applied to limited liability partnerships the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

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

MAXWELL WINWARD LLP

**MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2017**

Members' responsibilities statement (continued)

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

Subsequent events

On 1 June 2017 the legal practice carried on by the LLP merged with Mills & Reeve LLP. Maxwell Winward LLP then ceased to trade.

Auditors

A resolution to appoint F. W. Smith, Riches & Co. as auditors for the ensuing year will be proposed at a meeting of the members.

This report was approved by the members on *20 December 2017* and signed on its behalf by:

A. P. S. Luto
Designated member



MAXWELL WINWARD LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAXWELL WINWARD LLP

We have audited the financial statements of Maxwell Winward LLP for the year ended 31 March 2017, set out on pages 6 to 14. 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) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Members' Responsibilities Statement set out on pages 2 and 3, 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 LLP'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 Members' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 LLP's affairs as at 31 March 2017 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.

MAXWELL WINWARD LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAXWELL WINWARD LLP

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; or
- the members were not entitled to prepare the financial statements in accordance with the small Limited Liability Partnerships' regime.

Jane Lowden

Jane Lowden (Senior Statutory Auditor)
for and on behalf of **F. W. Smith, Riches & Co.**
Chartered Accountants & Statutory Auditors
London

MAXWELL WINWARD LLP

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017**

| | Note | 2017 £ | 2016 £ |
|--|------|-------------|-------------|
| Turnover | | 5,456,005 | 5,711,836 |
| Gross profit | | 5,456,005 | 5,711,836 |
| Administrative expenses | | (2,997,472) | (3,231,993) |
| Other operating income | | 345 | 10,400 |
| Operating profit | | 2,458,878 | 2,490,243 |
| Interest receivable and similar income | | 5,959 | 20,478 |
| Interest payable and similar expenses | | (927) | - |
| Profit for the year before members' remuneration and profit shares | | 2,463,910 | 2,510,721 |
| Members' remuneration charged as an expense | | (2,463,910) | (2,510,721) |
| Profit for the financial year available for discretionary division among members | | - | - |


MAXWELL WINWARD LLP
REGISTERED NUMBER:OC325971

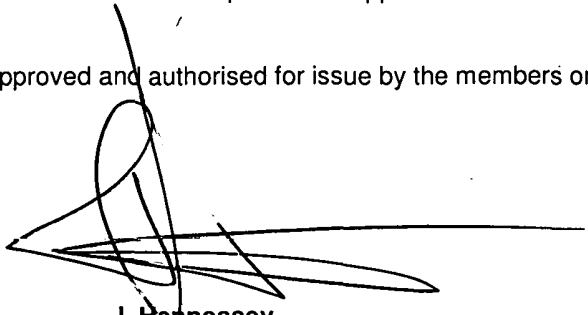
BALANCE SHEET
AS AT 31 MARCH 2017

| | Note | 2017 £ | 2016 £ |
|---|------|-------------|-------------|
| Fixed assets | | | |
| Tangible assets | 4 | 34,735 | 184,930 |
| Current assets | | | |
| Debtors | 5 | 1,614,950 | 2,308,142 |
| Cash at bank and in hand | | 2,210,263 | 1,123,683 |
| | | 3,825,213 | 3,431,825 |
| Creditors: amounts falling due within one year | 6 | (1,115,028) | (1,111,016) |
| Net current assets | | 2,710,185 | 2,320,809 |
| Total assets less current liabilities | | 2,744,920 | 2,505,739 |
| Net assets | | 2,744,920 | 2,505,739 |
| Represented by: | | | |
| Loans and other debts due to members within one year | | | |
| Members' capital classified as a liability | | 1,074,450 | 1,074,450 |
| Other amounts | | 1,670,470 | 1,431,289 |
| | 7 | 2,744,920 | 2,505,739 |
| Total members' interests | | | |
| Loans and other debts due to members | 7 | 2,744,920 | 2,505,739 |

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements on pages 6 to 14 were approved and authorised for issue by the members on *20 December 2017* and were signed on their behalf by:


A. P. S. Luto
Designated member


J. Hennessey
Designated member

MAXWELL WINWARD LLP

RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2017

| | DEBT | | |
|---|---|-----------------------|------------------|
| | Loans and other debts due to members less any amounts due from members in debtors | | |
| | Members' capital £ | Other amounts £ | Total £ |
| At 1 April 2015 | 1,162,500 | 1,580,425 | 2,742,925 |
| Members' remuneration charged as an expense | - | 2,510,721 | 2,510,721 |
| Amounts introduced by members | 80,000 | - | 80,000 |
| Repayment of capital | (168,050) | - | (168,050) |
| Drawings | - | (1,542,358) | (1,542,358) |
| Tax payments | - | (1,117,499) | (1,117,499) |
| Balance at 31 March 2016 | 1,074,450 | 1,431,289 | 2,505,739 |
| Members' remuneration charged as an expense | - | 2,463,910 | 2,463,910 |
| Drawings | - | (1,199,630) | (1,199,630) |
| Tax payments | - | (1,025,099) | (1,025,099) |
| Balance at 31 March 2017 | 1,074,450 | 1,670,470 | 2,744,920 |

MAXWELL WINWARD LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies

1.1 Statement of compliance

The LLP's principal activity is the provision of legal services.

Maxwell Winward LLP is a limited liability partnership and is incorporated and domiciled in England and Wales. The address of its registered office is c/o F. W. Smith, Riches & Co., 15 Whitehall, London, SW1A 2DD and its principal place of business during the year was 22 Tudor Street, London, EC4Y 0AY.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Section 1A 'Small Entities' of Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). The financial statements have been prepared under the historical cost convention.

The LLP has adopted FRS 102 for the first time in these financial statements. The LLP transitioned from previously extant United Kingdom Generally Accepted Accounting Practice ("UK GAAP") as at 1 April 2015. An explanation of how the transition to FRS 102 has affected the reported financial position and performance is given in note 9.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the LLP's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

1.3 Revenue

Revenue is recognised to the extent that the LLP obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, rebates and value added tax. The following criteria must also be met before revenue is recognised:

Sale of services

Revenue from a contract to provide services is recognised as contract activity progresses, by reference to the value of work performed, and the right to consideration has been earned.

Revenue in respect of contingent fee assignments (over and above any agreed minimum fee which is recognised as above) is recognised in the period in which the contingent event occurs.

Unbilled turnover on individual client assignments is included as accrued income within debtors. Where individual on-account billings exceed revenue recognised on client assignments, the excess is classified as deferred income within creditors.

Interest income

Revenue is recognised as interest accrues using the effective interest method.

MAXWELL WINWARD LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use and dismantling and restoration costs.

Depreciation on other assets is calculated, using the straight-line method, to allocate the cost of assets less their residual value over their estimated useful lives, as follows:

| | |
|------------------------|------------------------------|
| Leasehold improvements | - over the life of the lease |
| Office equipment | - 3 years |

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

Subsequent costs are included in the assets carrying amount or recognised as a separate asset, as appropriate, only when it is probable that economic benefits associated with the item will flow to the Company and the cost can be measured reliably. Repairs and maintenance costs are expensed as incurred.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Profit and Loss Account and included in 'administrative expenses'.

1.5 Operating leases: lessee

At inception the LLP assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Rentals payable under operating leases are charged to the Profit and Loss Account on a straight-line basis over the period of the lease. Lease incentives are recognised over the lease term on a straight-line basis.

1.6 Financial instruments

The LLP has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Profit and Loss Account in 'administrative expenses'.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

MAXWELL WINWARD LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting policies (continued)

1.6 Financial instruments (continued)

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1.7 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentation currency is the pound sterling.

1.8 Members' remuneration

In accordance with the members' agreement, the profits of the LLP are treated as 'members' remuneration charged as an expense' in the Profit and Loss Account by reference to pre-determined profit sharing mechanisms.

The terms of the members' agreement require that capital be returned to a member over a period following their resignation. They are accordingly accounted for as liabilities of the LLP and presented within 'loans and other debts due to members'.

1.9 Defined contribution pension plans

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the LLP in independently administered funds.

1.10 Taxation

Income tax and national insurance payable on the LLP's profits is the personal liability of the members during the period. A retention from profits is made to fund the payment of taxation on the members' behalf. The retention is reflected in 'loans and other debts due to members' and payments are charged against this retention.

1.11 Claims

In common with comparable professional practices, the LLP is involved in disputes in the ordinary course of business which may give rise to claims. A provision is made in the financial statements for all such circumstances where costs are likely to be incurred and represents the cost of defending and concluding the claims.

The LLP carries professional indemnity insurance and no separate disclosure is made of the cost of the claims covered by insurance as to do so could seriously prejudice the position of the LLP.

MAXWELL WINWARD LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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

In preparing the financial statements management are required to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from these estimates. Whilst management have made judgements, estimates and assumptions in preparing the financial statements, they consider that these have not had a significant effect on amounts recognised.

3. Employees

The average monthly number of employees, excluding members, during the year was 30 (2016 – 30).

4. Tangible fixed assets

| | Leasehold improve- ments £ | Office equipment £ | Total £ |
|-----------------------|-------------------------------------|--------------------------|------------|
| Cost | | | |
| At 1 April 2016 | 276,811 | 166,621 | 443,432 |
| Additions | - | 18,166 | 18,166 |
| Disposals | - | (148) | (148) |
| At 31 March 2017 | 276,811 | 184,639 | 461,450 |
| Depreciation | | | |
| At 1 April 2016 | 92,270 | 166,232 | 258,502 |
| Charge for period | 158,178 | 10,183 | 168,361 |
| Disposals | - | (148) | (148) |
| At 31 March 2017 | 250,448 | 176,267 | 426,715 |
| Net book value | | | |
| At 31 March 2017 | 26,363 | 8,372 | 34,735 |
| At 31 March 2016 | 184,541 | 389 | 184,930 |

MAXWELL WINWARD LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

5. Debtors

| | 2017 £ | 2016 £ |
|---------------|------------------|------------------|
| Trade debtors | 1,081,281 | 1,513,598 |
| Other debtors | 533,669 | 794,544 |
| | <u>1,614,950</u> | <u>2,308,142</u> |

6. Creditors: Amounts falling due within one year

| | 2017 £ | 2016 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | 36,607 | 20,820 |
| Other taxation and social security | 332,437 | 378,044 |
| Other creditors | 745,984 | 712,152 |
| | <u>1,115,028</u> | <u>1,111,016</u> |

7. Loans and other debts due to members

| | 2017 £ | 2016 £ |
|---|------------------|------------------|
| Members' capital treated as debt | 1,074,450 | 1,074,450 |
| Amounts owed to members in respect of profits | 1,033,475 | 868,176 |
| Tax provisions | 636,995 | 563,113 |
| | <u>2,744,920</u> | <u>2,505,739</u> |

In the event of a winding up, loans and other debts due to members rank equally with unsecured creditors and there is no additional protection afforded to creditors.

8. Commitments under operating leases

At 31 March 2017 the LLP had future minimum lease payments under non-cancellable operating leases as follows:

| | 2017 £ | 2016 £ |
|-----------------------|---------------|----------------|
| Not later than 1 year | 50,202 | 303,032 |
| Between 1 and 5 years | - | 444,908 |
| | <u>50,202</u> | <u>747,940</u> |

MAXWELL WINWARD LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017**

9. First time adoption of FRS 102

This is the first year that the LLP has presented its results under FRS 102. The last financial statements prepared under previously extant UK GAAP were for the year ended 31 March 2016. The date of transition to FRS 102 was 1 April 2015. There were no adjustments to the LLP's reported net assets or profit arising during the period of transition.

10. Subsequent events

On 1 June 2017 the legal practice carried on by the LLP merged with Mills & Reeve LLP. Maxwell Winward LLP then ceased to trade.