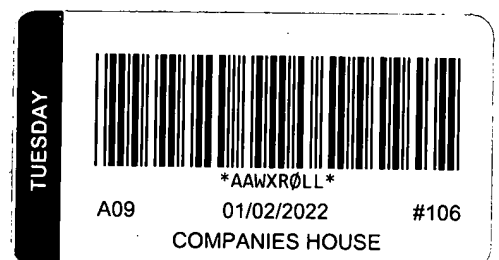


Limited Liability Partnership Registration No. OC332179 (England and Wales)

DRUCES LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021



DRUCES LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

P R Campbell
K E Chapman
N J Brent
E S M Lindsley
C B Axford
A M Footer

Limited liability partnership number

OC332179

Registered office

Salisbury House
London Wall
London
EC2M 5PS

Auditor

Citroen Wells
Chartered Accountants
Devonshire House
1 Devonshire Street
London
W1W 5DR

DRUCES LLP

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DRUCES LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The members present their annual report and financial statements for the year ended 30 April 2021.

Principal activities

The principal activity of Druces LLP ('the partnership') is the provision of legal services to clients.

Business review

The financial statements reflect the results of the year to 30 April 2021 and disclose a profit distributable to members of £3,889,572 (2020: £4,025,531).

Members' drawings, contributions and repayments

Members receive monthly drawings representing payments on account of profits which may 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 partnership and may be reclaimed from members until such time as profits have been allocated to them. The members set their profit sharing ratios in advance and the allocation is reviewed periodically. Profits are allocated in full. Capital requirements are determined by the members and are reviewed at least annually. All members are required to subscribe to a portion of that capital with the amounts being determined by reference to status. On retirement, allocated capital becomes repayable to members.

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

P R Campbell	
R E Monkcom	(Retired 31 May 2021)
C T Stroh	(Retired 30 September 2021)
K E Chapman	
N J Brent	
E S M Lindsley	
C B Axford	
A M Footer	
C P Spragge	(Retired 29 January 2021)

Auditor

The auditor, Citroen Wells, is deemed to be reappointed under section 487(2) of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

DRUCES LLP

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Statement of members' responsibilities

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

Company law (as applied to limited liability partnerships by regulation 3 of the Limited Liability Partnerships Regulations 2001) 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). The financial statements are required by law to give a true and fair view of the state of affairs of the partnership and of the profit or loss of the 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 partnership will continue in business.

The members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the partnership and enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied to limited liability partnerships). They are also responsible for safeguarding the assets of the 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 (as defined by Section 418 of the Companies Act 2006) of which the partnership's auditors are unaware, and each member has taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the partnership's auditors are aware of that information.

Approved by the members on 24/1/2022 and signed on behalf by:


.....
K E Chapman
Designated Member

DRUCES LLP

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DRUCES LLP

Opinion

We have audited the financial statements of Druces LLP (the 'limited liability partnership') for the year ended 30 April 2021 which comprise the statement of comprehensive income, the statement of financial position, the reconciliation of members' interests, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 limited liability partnership's affairs as at 30 April 2021 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.

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 limited liability partnership 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

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

DRUCES LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF DRUCES 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.

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement, 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 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 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.

The extent to which the audit was considered capable of detecting irregularities including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the limited liability partnership and determined that the most significant are those that relate to the Solicitors Regulations Authority Code of Conduct, including the Solicitors Accounts Rules as regulated by the Solicitors Regulations Authority in the United Kingdom, the reporting framework (United Kingdom Generally Accepted Accounting Practice); including FRS 102, the Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018.
- We understood how the limited liability partnership is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance to understand how management maintains and communicates its policies and procedures in these areas. We corroborated our understanding by reviewing supporting documentation including members' meeting minutes and correspondence with regulatory bodies.

DRUCES LLP

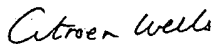
INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF DRUCES LLP

- We assessed the susceptibility of the limited liability partnership's financial statements to material misstatement, including how fraud might occur by considering the risk of managements override of internal controls and by designating revenue recognition and amounts recoverable on contracts as a fraud risk. We performed journal entry testing, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested the valuation of revenue, trade debtors and amounts recoverable on contracts through substantive testing and assessing the judgements made by management.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expenses, review of members' meeting minutes, correspondence with regulatory bodies and review of regulatory returns.
- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 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 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.



Mark Bailey FCA CTA (Senior Statutory Auditor)
For and on behalf of Citroen Wells

28/1/2022

Chartered Accountants
Statutory Auditor

Devonshire House
1 Devonshire Street
London
W1W 5DR

DRUCES LLP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2021

		2021	2020
	Notes	£	£
Revenue	3	11,315,890	11,075,111
Administrative expenses		(7,631,720)	(7,115,842)
Other operating income		206,107	-
Operating profit		3,890,277	3,959,269
Investment income		9,591	77,203
Finance costs		(10,296)	(10,941)
Profit for the financial year before members' remuneration and profit shares		3,889,572	4,025,531
Members' remuneration charged as an expense	5	(3,889,572)	(4,025,531)
Result for the financial year available for discretionary division among members		-	-

The Income Statement has been prepared on the basis that all operations are continuing operations.

DRUCES LLP**STATEMENT OF FINANCIAL POSITION****AS AT 30 APRIL 2021**

	Notes	2021 £	£	2020 £	£
Non-current assets					
Intangible assets	6	22,806		38,239	
Property, plant and equipment	7	233,414		328,068	
		<u>256,220</u>		<u>366,307</u>	
Current assets					
Trade and other receivables	8	5,189,463	5,163,978		
Cash and cash equivalents		1,922,295	1,026,010		
		<u>7,111,758</u>	<u>6,189,988</u>		
Current liabilities	9	(1,956,315)	(2,143,023)		
Net current assets		<u>5,155,443</u>		<u>4,046,965</u>	
Total assets less current liabilities		<u>5,411,663</u>		<u>4,413,272</u>	
Non-current liabilities	10	(1,040,182)		(27,058)	
Net assets attributable to members		<u>4,371,481</u>		<u>4,386,214</u>	
Represented by:					
Loans and other debts due to members within one year					
Amounts due in respect of profits		2,221,144		2,066,374	
Members' other interests					
Members' capital classified as equity		2,150,337		2,319,840	
		<u>4,371,481</u>		<u>4,386,214</u>	
Total members' interests					
Loans and other debts due to members		2,221,144		2,066,374	
Members' other interests		2,150,337		2,319,840	
		<u>4,371,481</u>		<u>4,386,214</u>	

The financial statements were approved by the members and authorised for issue on 24/1/2022 and are signed on their behalf by:

Karen Chapman
 K E Chapman
 Designated member

Limited Liability Partnership Registration No. OC332179

DRUCES LLP**RECONCILIATION OF MEMBERS' INTERESTS****FOR THE YEAR ENDED 30 APRIL 2021**

<i>Current financial year</i>	EQUITY	DEBT		TOTAL
	Members' other interests	Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital (classified as equity)	Other amounts	Total	Total 2021
	£	£	£	£
Amounts due to members		2,066,374		
Members' interests at 1 May 2020	2,319,840	2,066,374	2,066,374	4,386,214
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	3,889,572	3,889,572	3,889,572
Result for the financial year available for discretionary division among members	-	-	-	-
Members' interests after loss and remuneration for the year	2,319,840	5,955,946	5,955,946	8,275,786
Introduced by members	8,446	-	-	8,446
Capital repayable	(177,949)	-	-	(177,949)
Drawings	-	(3,734,802)	(3,734,802)	(3,734,802)
Members' interests at 30 April 2021	2,150,337	2,221,144	2,221,144	4,371,481

DRUCES LLP**RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2021***Prior financial year*

	EQUITY	DEBT		TOTAL
	Members' other interests	Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital (classified as equity)	Other amounts	Total	Total 2020
	£	£	£	£
Amounts due to members		2,257,177		
Members' interests at 1 May 2019	2,245,917	2,257,177	2,257,177	4,503,094
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	4,025,531	4,025,531	4,025,531
Result for the financial year available for discretionary division among members	-	-	-	-
Members' interests after loss and remuneration for the year	2,245,917	6,282,708	6,282,708	8,528,625
Introduced by members	110,000	-	-	110,000
Capital repayable	(36,077)	-	-	(36,077)
Drawings	-	(4,216,334)	(4,216,334)	(4,216,334)
Members' interests at 30 April 2020	2,319,840	2,066,374	2,066,374	4,386,214

DRUCES LLP**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 APRIL 2021**

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	17	3,704,539		4,427,371	
Interest paid		(10,296)		(10,941)	
Net cash inflow from operating activities		3,694,243		4,416,430	
Investing activities					
Purchase of intangible assets		-	(46,300)		
Purchase of property, plant and equipment		-	(5,946)		
Interest received		9,591	77,203		
Net cash generated from investing activities			9,591		24,957
Financing activities					
Capital introduced by members (classified as debt or equity)		8,446	110,000		
Repayment of capital to members		(81,193)	(36,077)		
Payments to members		(3,734,802)	(4,216,334)		
Proceeds of new bank loans		1,000,000	-		
Repayment of bank loans		-	(45,845)		
Net cash used in financing activities		(2,807,549)		(4,188,256)	
Net increase in cash and cash equivalents		896,285		253,131	
Cash and cash equivalents at beginning of year		1,026,010		772,879	
Cash and cash equivalents at end of year		1,922,295		1,026,010	

DRUCES LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Limited liability partnership information

Druces LLP ("the partnership") is a limited liability partnership incorporated in England and Wales. The registered office is Salisbury House, London Wall, London, EC2M 5PS.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in pound sterling, which is the functional currency of the partnership. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the limited liability partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Revenue

Fee income represents revenue earned from services performed entirely from the partnership's principal activity. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the partnership and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the partnership will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	3 years on a straight line basis
----------	----------------------------------

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

DRUCES LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies (Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings - Leasehold	10 years on a straight line basis
Fixtures, fittings & equipment	3 to 8 years on a straight line basis

1.6 Impairment of non-current assets

At each reporting period end date, the partnership reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments. The partnership only has basic financial assets and liabilities in the current and prior periods.

Financial instruments are recognised in the partnership's statement of financial position when the partnership becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are measured at transaction price including transaction costs.

DRUCES LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through the income statement, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the income statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the partnership after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the partnership's obligations expire or are discharged or cancelled.

1.9 Taxation

The taxation payable on the profits is the personal liability of the members during the year and accordingly no reserve for taxation or national insurance has been included in the financial statements.

DRUCES LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

(Continued)

1.10 Provisions

Provisions are recognised when the limited liability partnership has a legal or constructive present obligation as a result of a past event, it is probable that the limited liability partnership will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

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

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Covid-19 related rent concessions are recognised over the periods that the change in lease payments is intended to compensate.

1.12 Government grants

Government grants in respect of covid-19 support are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

1.13 Amounts recoverable under contracts

Amounts recoverable under contracts represents work done at the year end where a continuing right to receive income exists and is valued at the estimated amount recoverable in excess of fees already rendered on account.

1.14 Members' remuneration and interest

Members' rights to participate in the profits and losses, or assets of the partnership are analysed between those that give rise to, from the partnership's perspective, either a financial liability or equity, in accordance with applicable accounting standards, 'Members' Shares in Co-operative Entities and Similar Instruments'. Members' different participation rights are analysed separately into liability and equity elements.

1.15 Members' capital

Members' capital is accounted for in accordance with applicable accounting standards. Where the obligation to deliver cash or another financial asset to the member, the capital is treated as debt. Where the partnership has unconditional right to avoid delivering cash or other financial assets to a member in respect of such amounts (i.e. repayment of the member's capital is discretionary) it is treated as equity.

DRUCES LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 APRIL 2021**2 Judgements and key sources of estimation uncertainty**

In the application of the partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The members consider the following to be key areas of judgement for the partnership;

Revenue recognition

In making their judgment, the members considered the detailed criteria under FRS 102 for the recognition of revenue on services rendered by the partnership. In particular, in order to recognise the revenue regard was given for ensuring that the outcome of a transaction could be estimated reliably at the end of the reporting period.

The members therefore applied their judgement to transactions around the year end to ensure that the stage of completion of any transactions, and the amount of revenue, could be measured reliably. In the event that the completion of the transaction was dependent on external factors after the end of the reporting period, such that the members could not determine that the outcome of the transaction reliably at the year end, no revenue was recognised in the financial statements.

Provision against trade debtors and work in progress

In making their judgment and providing an estimate at the year end, the members considered the likelihood that trade debtors and work in progress would be recovered.

The members applied their judgement to those balances standing at the year end to ensure that a provision was made against any uncertain balances. In arriving at a suitable provision, regard was given to the age profile of the debt and/or work in progress and an assessment was made by the members based on the particular circumstances of each matter.

3 Revenue

An analysis of the partnership's revenue is as follows:

	2021 £	2020 £
Revenue analysed by class of business		
Provision of legal services	11,315,890	11,075,111
	<u> </u>	<u> </u>
	2021 £	2020 £
Other significant income		
Grants received	206,107	-
	<u> </u>	<u> </u>

DRUCES LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 APRIL 2021**4 Employees**

The average number of persons (excluding members) employed by the partnership during the year was:

	2021	2020
	Number	Number
Administration and management	65	64

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	3,497,393	3,367,308
Social security costs	382,320	384,936
	<u>3,879,713</u>	<u>3,752,244</u>

5 Members' remuneration

	2021	2020
	Number	Number
Average number of members during the year	20	22

	2021	2020
	£	£
Profit attributable to the member with the highest entitlement	<u>439,559</u>	<u>454,425</u>

DRUCES LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 APRIL 2021**6 Intangible fixed assets**

	Software £
Cost	
At 1 May 2020 and 30 April 2021	46,300
Amortisation	
At 1 May 2020	8,061
Amortisation charged for the year	15,433
At 30 April 2021	23,494
Carrying amount	
At 30 April 2021	22,806
At 30 April 2020	38,239

7 Property, plant and equipment

	Land and buildings - Leasehold £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 May 2020 and 30 April 2021	577,070	305,220	882,290
Depreciation and impairment			
At 1 May 2020	340,903	213,319	554,222
Depreciation charged in the year	57,707	36,947	94,654
At 30 April 2021	398,610	250,266	648,876
Carrying amount			
At 30 April 2021	178,460	54,954	233,414
At 30 April 2020	236,167	91,901	328,068

8 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	2,676,068	2,945,019
Other receivables	4,494	59,279
Prepayments	619,418	561,521
Amounts recoverable under contracts	1,889,483	1,598,159
	5,189,463	5,163,978

DRUCES LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 APRIL 2021**9 Current liabilities**

		2021	2020
		£	£
Bank loans	11	62,500	-
Trade payables		331,248	378,471
Other taxation and social security		349,835	748,506
Other payables		506,727	212,298
Accruals		706,005	803,748
		<u>1,956,315</u>	<u>2,143,023</u>

10 Non-current liabilities

	Notes	2021	2020
		£	£
Bank loans and overdrafts	11	916,368	-
Other payables		123,814	27,058
		<u>1,040,182</u>	<u>27,058</u>

11 Borrowings

	2021	2020
	£	£
Bank loans	<u>978,868</u>	<u>-</u>
Payable within one year	62,500	-
Payable after one year	<u>916,368</u>	<u>-</u>

During the year, the partnership applied for, and received a £1,000,000 loan under the UK Government's Coronavirus Business Interruption Loan Scheme. The loan is repayable in full by February 2026, with a capital repayment holiday of 12 months from the date of draw down. Interest is charged on the loan at base rate plus 2.8%, with the UK Government paying the first 12 months of interest. The loan is secured by a limited guarantee given by the UK Government for £800,000, with the remaining balance secured by a fixed and floating charge over the partnership's assets.

DRUCES LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 APRIL 2021**12 Loans and other debts due to members**

	2021	2020
	£	£
Amounts falling due within one year	2,221,144	2,066,374

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

13 Financial commitments, guarantees and contingent liabilities

The partnership maintains professional indemnity insurance and, where appropriate, provision is made for the estimated costs of settling claims where such costs are not covered by insurance. Claims notified are not expected to give rise to any material unprovided liability.

The Partnership has granted fixed and floating charges over certain of its assets in favour of its bankers as detailed in note 10.

14 Operating lease commitments**Lessee**

At the reporting end date the partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	500,000	379,470
Between two and five years	1,142,466	977,265
	<u>1,642,466</u>	<u>1,356,735</u>

15 Ultimate controlling party

In the opinion of the members there is no ultimate controlling party.

16 Key management personnel

Key management personnel consists of the members of the Partnership only. Members' remuneration charges as an expense in the year was £3,889,572 (2020: £4,025,531).

DRUCES LLP**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 APRIL 2021

17	Cash generated from operations	2021	2020
		£	£
	Profit for the year	3,889,572	4,025,531
	Adjustments for:		
	Finance costs recognised in profit or loss	10,296	10,941
	Investment income recognised in profit or loss	(9,591)	(77,203)
	Amortisation of intangible assets	15,433	8,061
	Depreciation of property, plant and equipment	94,654	97,162
	Movements in working capital:		
	Increase in trade and other receivables	(25,485)	(364,622)
	(Decrease)/increase in trade and other payables	(270,340)	727,501
	Cash generated from operations	3,704,539	4,427,371
18	Analysis of changes in net debt		2021
			£
	Opening net funds		
	Cash and cash equivalents		1,026,010
	Changes in net debt arising from:		
	Cash flows of the entity		(61,451)
	Changes in market value and exchange rates		(21,132)
	Closing net funds/(debt) as analysed below		943,427
	Closing net funds/(debt)		
	Cash and cash equivalents		1,922,295
	Loans		(978,868)
			943,427