

LLP Registration Number: OC344553

Bidwells LLP

**Annual report and consolidated financial statements
for the year ended 31 December 2021**

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Bidwells LLP

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Bidwells LLP

Management Board and advisers

Management Board

D Bentley
F C Clark (Designated member)
G P L Collins (Designated member)
M Derbyshire
P L McMahon
N R Pettit (Designated member)
R J Pilsworth (Designated member)
S R Western

Independent Auditors

RSM UK Audit LLP
Chartered Accountants and Statutory Auditors
170 Midsummer Boulevard
Milton Keynes
Buckinghamshire
MK9 1BP

Bankers

Barclays Bank plc
Corporate Banking Services
2nd Floor
1 Church Street
Peterborough
PE1 1XE

Registered Office

Bidwell House
Trumpington Road
Cambridge
Cambridgeshire
CB2 9LD

Bidwells LLP

Report of the members

The members present their annual report and audited consolidated financial statements of Bidwells LLP and its subsidiary undertakings ("the Group") for the year ended 31 December 2021.

Designated members

The designated members of the LLP who were in office during the year and up to the date of signing the financial statements were:

G P L Collins
R J Pilsworth
N R Pettit
F C Clark

Members' drawings and the subscription and repayment of members' capital

In accordance with the LLP agreement, from time to time, the LLP determines the amount of profit to be treated as partners' salaries. This profit is treated as allocated. The remaining profit is allocated after the year end and is shown in members' other interests in 'other reserves'. Allocated profit is included with 'loans and other debts due to members' in 'other amounts'.

Drawings are treated as payments on account of profit allocation and are only repayable to the LLP in so far as there are insufficient profits to allocate such drawings. Drawings in excess of total profits are included within 'loans and other debts due from members' in 'other amounts'. All payments are made subject to the cash requirements of the business.

The terms of the members' agreement require that capital be returned to a member on his or her retirement. Capital is accounted for as a liability of the LLP in accordance with Financial Reporting Standard ('FRS') 102.

Going concern

A going concern review has been carried out using the Group cash flow forecast as a base case scenario, extended to the end of 2023. This forecast builds on the success of 2021 to date where the Group have met the budget revenue targets set for the first six months of the year. This strong performance is expected to continue into and throughout 2022. There is also continued positivity around the expected cash flows of the business, with the cash balance remaining firmly above the bank overdraft facility limit for the entire forecast period.

It is recognised that the market conditions could change over the next 18 months and therefore a sensitivity analysis has been performed, representing a reasonable worst-case scenario, reducing income by 5% and increasing costs by 15%. It is expected that as at end December 2022 in this scenario the cash balance remains positive and therefore continue not to utilise the overdraft facility.

On this basis the members continue to see no issues with the going concern status of the firm and therefore continue to adopt the going concern basis in preparing the financial statements.

People

The success of our Firm is testament to our exceptional industry knowledge, our multi-disciplinary skillset across 40+ teams, and our access to well-chosen, high opportunity markets. Increasing our brand awareness and building a pipeline for future business has been a key focus in order to achieve a sustainable operating profit. We recognise the importance of retaining and attracting a highly skilled workforce by ensuring Bidwells is a great place to work. To realise this ambition, we continue to invest in developing our people and live our values of integrity, teamwork, excellence and energy, while making sure Bidwells remains a fun place to work.

Over recent years we have been working hard to improve the way we work across the whole firm, including the tools, systems and processes we have in place and have fully embraced the principles of agile working across the business.

Bidwells LLP

Report of the members (*continued*)

People (*continued*)

Having equipped the vast majority of our staff with cutting-edge laptops and mobile phones, alongside cloud-based storage and collaboration tools, we were able to adjust overnight to the impact of the COVID-19 pandemic on our business. The shift to remote working was achieved without disruption supporting our objective to be a great place to work; one in which colleagues are empowered to be their best.

Our Scottish division has led the way in our response to climate change and sustainable investment, driving the firm to become signatories of UNPRI. This shift towards sustainability is now at the forefront of minds across the firm and is defining our 2020-25 business strategy. We have carried out a comprehensive risk analysis of our current operating processes and governance structures, and are now in the process of calculating the metrics required to measure progress in these areas. We will formally embed them into our processes and governance structure with the support of external consultants to establish a sustainability roadmap for Bidwells.

Following the publication of Gender Pay Gap statistics in 2017 we made a commitment to focus on recruiting and retaining female employees across the firm. As part of this we have significantly enhanced our maternity and shared parental leave offering, making Bidwells a more attractive and competitive employer, which has been reflected within the latest Gender Pay Gap statistics released for 2021.

The Firm considers applications for employment from disabled persons. Where existing employees become disabled, it is the Firm's policy wherever practicable to provide continuing employment and to provide training and career development and promotion to disabled employees.

We continue to invest heavily in the development of our people. Our Learning Management System is in place and employees can now access the content it provides at any time and from anywhere. We run a comprehensive induction programme with each new starter, providing a strong foundation for their career, as well as equipping individuals with an in depth understanding of the Firm and how their individual role impacts on the future. We also offer a wide range of development opportunities via our Management, Graduate and Apprentice programmes.

Personal, team and divisional objectives are aligned to support the Firm's strategic business plan and financial goals and also form part of our quarterly review with senior business leaders. Our Performance and Development Review process allows for individual discussions to take place across the Firm at any time to highlight relevant goals and objectives.

Thanks to the roll out of our pulse survey tool Thymometrics, we are getting a consistent picture about engagement levels across the business. From this we are able to make informed decisions about matters that impact our people, enabling us to constantly improve our offering as an employer.

We continue to drive a number of new initiatives to deliver improvement throughout the Firm. We have a strong focus on the wellbeing of our employees and we are committed to providing a healthy working environment. Our BWell programme launched in Spring 2018 and is an indication of the firm's ongoing commitment to physical, mental and social aspects of wellbeing.

In order to ensure that people are kept informed and regularly updated about the future of the business, including the Firm's financial and economic performance and prospects, a communication strategy and operations plan is in place. Communication is undertaken through virtual meeting for all partners every fortnight, regular 'Keep in Touch' meetings for each of our locations; virtual team and intra-disciplinary meetings; digital conferences; our intranet; email; and via readily-available policy documentation. The Firm constantly reviews our effective use of social media, such as LinkedIn and Twitter and communications technologies such as Zoom, Teams, Skype via tablets or other mobile devices.

For specific policy changes, people are consulted individually and in groups. The Firm also operates a suggestion scheme and encourages feedback via Thymometrics. Bonus arrangements are in place to reward people in accordance with their behaviours, which further incentivises interest and involvement in the Firm's performance.

The Firm is committed to employment policies, which follow best practice, based on equal opportunities for all, irrespective of sex, sexual orientation, age, race, colour, disability or marital status.

Bidwells LLP

Report of the members (*continued*)

Financial and non-financial KPI's

Bidwells LLP review turnover and operating profit margin as key indicators of the company's performance alongside cash generation. Group Turnover for the year was £55.0m (2020: £43.9m), Group operating profit margin was 34.6% (2020: 25.8%). Following a turbulent year as a result of COVID-19 the company will initiate an ongoing review of employee retention as a key non-financial indicator.

Streamlined Energy and Carbon reporting (SECR)

The members present the Group's Streamlined Energy and Carbon report. A full list of the LLP's members can be obtained from Companies House.

The Group's policy is to reduce its environment impact wherever practical. Carbon reducing measures help to improve both operational performance and a reduction in potentially harmful emissions to land, water and air. During 2021, as we re-occupied our offices, energy consumption increased. Due to decarbonisation of the grid, this has led to a small increase in emissions largely offset by a reduction in gas usage to heat the buildings due to better building management and external climatic conditions.

This is the LLP's second reporting year for SECR. Given that the COVID-19 pandemic has had a material impact on the electricity, gas and fuel consumption through decreased use of office space and lower business-related mileage, neither 2020 nor 2021 are deemed to be representative of the future carbon emissions. To help achieve a reduction in our carbon footprint during 2022, the Group will:

- Continue to convert our electricity supply contracts to use energy suppliers who actively promote the use of renewable fuels to generate their energy offering. Whilst this will not reduce our location-based scope 2 emissions, it will show a reduction in our market-based accounting.
- Minimise waste, promote recycling and the use of recycled products to help reduce the burden of landfill and therefore methane generation. We have already introduced recycling of all food waste in our Cambridge Headquarters and will continue to explore ways to provide the same segregated waste stream across our other offices.
- Evaluate and where possible adopt means of reducing travelling including increased use of video conferencing.
- Use public transport whenever it is practically possible.
- We are incentivising our employees to switch to electric vehicles by offering a salary sacrifice scheme to enable electric vehicle purchase prior to income tax.
- Expect partners and suppliers to have credible, measurable carbon footprint policies.
- Promote environmental awareness and responsibility amongst employees, partners, contractors and service users in projects in which the Group are involved and will seek, where practicable, to continuously improve environmental performance.

Bidwells LLP

Report of the members (continued)

Streamlined Energy and Carbon reporting (SECR) (continued)

Summary of greenhouse gas emissions

The Group have computed its emissions reported based on the GHG Reporting Protocol and summarised these below:

	2021 Emissions CO2e (tonnes)	2021 Consumption kWh	2020 Emissions CO2e (tonnes)	2020 Consumption kWh
Scope 1 – vehicles	60.1	282.7	51.2	271.4
Scope 1 – gas	38.9	212.4	72.5	394.0
Scope 2 – electricity	123.9	579.3	100.2	429.7
Total emissions	222.9	1,074.4	223.9	1,095.1
Intensity ratio Turnover (£m)	55.0		43.9	
Total CO2e per £1m turnover (tonnes)	4.1		5.1	

Scope 1 (direct emissions) includes emissions from owned and lease company vehicles consumed during the year and the consumption of purchased gas utilised in the running of company premises.

Scope 2 (energy indirect) includes the consumption of purchased electricity utilised in the running of company premises.

The conversion factors used in the calculation of CO2e are sourced from BEIS' greenhouse gas reporting conversion factors 2020.

The intensity ratio of turnover has been used as this is deemed to be the most accurate representation of the company's business activities.

Statement of members' responsibilities in respect of the financial statements

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

Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the 2008 Regulations) and Company Law requires the members to prepare group and partnership 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 the 2008 Regulations, 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 group and the partnership and of the profit or loss of the group for that period.

In preparing each of the group and partnership 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

Bidwells LLP

Report of the members (*continued*)

Statement of members' responsibilities in respect of the financial statements (*continued*)

Under the 2008 Regulations the members are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the partnership's transactions and disclose with reasonable accuracy at any time the financial position of the group and the partnership and to enable them to ensure that the financial statements comply with the requirements of those Regulations. They are also responsible for safeguarding the assets of the group and the partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

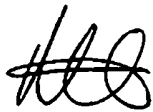
The members are responsible for the maintenance and integrity of the corporate and financial information included on the partnership's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

These responsibilities are exercised by the designated members on behalf of the members.

Disclosure of information to auditors

The designated members who held office at the date of approval of this 'report of the members' confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's auditors are unaware; and each designated member has taken all the steps that they ought to have taken as a designated member to make themselves aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

On behalf of the members



N R Pettit
Designated Member

14 July 2022

Bidwells LLP

Independent auditors' report to the members of Bidwells LLP

Opinion

We have audited the financial statements of Bidwells LLP (the 'parent limited liability partnership') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise consolidated profit and loss account, consolidated statement of comprehensive income, consolidated balance sheet, LLP balance sheet, group reconciliation of members' interests, LLP reconciliation of members' interests, consolidated 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 group's and parent limited liability partnership's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 and parent limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 group's and parent 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, 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.

Bidwells LLP

Independent auditors' report to the members of Bidwells LLP (continued)

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 applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent limited liability partnership 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 set out on page 5, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 parent 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 parent 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 are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

Bidwells LLP

Independent auditors' report to the members of Bidwells LLP (continued)

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent limited liability partnership operates in and how the group and parent limited liability partnership is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and the LLP SORP 2018. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the RICS Client Money Protection Scheme Rules. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with licensing or regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 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.

Sarah Mason

SARAH MASON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

The Pinnacle

170 Midsummer Boulevard

Milton Keynes

MK9 1BP

21 July 2022

Bidwells LLP

Consolidated profit and loss account for the financial year ended 31 December 2021

	Note	2021 £'000	2020 £'000
Turnover	4	55,692	44,226
Less: Share of joint venture turnover		(645)	(350)
Group turnover		55,047	43,876
Change in work in progress		957	(204)
Staff costs	5	(28,686)	(26,158)
Other income	6	37	1,501
Depreciation and amortisation		(1,616)	(1,712)
Other operating charges		(6,717)	(5,994)
Group operating profit	7	19,022	11,309
Share of operating profit of joint venture		121	73
Total operating profit including joint venture		19,143	11,382
Interest receivable and similar income	8	21	163
Interest payable and similar charges	9	(727)	(950)
Profit before taxation		18,437	10,595
Tax on profit	10	(271)	(22)
Profit for the financial year before members' remuneration, profit shares and exceptional items		18,166	10,573
Profit for the financial year before members' remuneration and profit shares		18,166	10,573
Members' remuneration charged as an expense		(9,140)	(6,680)
Profit for the financial year available for discretionary division among members		9,026	3,893

All profits arise from continuing operations.

Bidwells LLP

Consolidated statement of comprehensive income for the year ended 31 December 2021

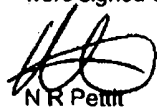
	Note	2021 £'000	2020 £'000
Profit for the financial year			
- Group		18,045	10,500
- Joint venture		121	73
		18,166	10,573
Remeasurements of net defined benefit obligation	22	5,158	138
Total comprehensive income relating to the year		23,594	10,711

Bidwells LLP

Consolidated balance sheet as at 31 December 2021

LLP Registration number: OC344553	Note	2021 £'000	2020 £'000
Fixed assets			
Intangible assets	13	1,001	1,234
Tangible assets	14	10,350	10,936
Deferred tax asset	12	-	-
Investments in joint venture:			
- Share of gross assets	15	305	210
- Share of gross liabilities		(149)	(102)
Other investments	15	15	15
Total investments	15	171	123
		11,522	12,293
Current assets			
Work in progress	17	2,015	1,058
Debtors	18	12,033	10,094
Cash at bank and in hand		5,180	5,944
		19,228	17,096
Creditors: amounts falling due within one year	19	(8,399)	(9,540)
Net current assets		10,829	7,556
Total assets less current liabilities		22,351	19,849
Creditors: amounts falling due after more than one year	20	(307)	(194)
Provision for liabilities	21	(975)	(177)
		21,069	19,478
Pension and similar obligations	22	(21,099)	(27,885)
Net liabilities attributable to members		(30)	(8,407)
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		5,145	5,500
Other amounts		16,678	17,080
		21,823	22,580
Members' other interests		(21,853)	(30,987)
		(30)	(8,407)
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members		21,823	22,580
Members' other interests		(21,853)	(30,987)
		(30)	(8,407)

The financial statements on 10 to 45 were approved by the Members and authorised for issue on 14 July 2022 and were signed on their behalf by:


N R Pettit

Designated Member

Bidwells LLP

LLP balance sheet as at 31 December 2021

LLP Registration number: OC344553	Note	2021 £'000	2020 £'000
Fixed assets			
Intangible assets	13	152	144
Tangible assets	14	9,420	9,884
Investments	15	70	70
		9,642	10,098
Current assets			
Work in progress	17	2,015	1,058
Debtors	18	11,724	9,652
Cash at bank and in hand		2,317	2,753
		16,056	13,463
Creditors: amounts falling due within one year	19	(6,981)	(6,553)
Net current assets		9,075	6,910
Total assets less current liabilities		18,717	17,008
Creditors: amounts falling due after more than one year	20	(118)	(12)
Provision for liabilities	21	(975)	(177)
Pension and similar obligations	22	(21,099)	(27,885)
Net liabilities attributable to members		(3,475)	(11,066)
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		5,145	5,500
Other amounts		(23,909)	6,224
Total Loans and other debts due to members		(18,764)	11,724
Members' other interests		15,289	(22,790)
		(3,475)	(11,066)
Total Members' interests			
Loans and other debts due to members		(18,764)	11,724
Members' other interests		15,289	(22,790)
		(3,475)	(11,066)

As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented for the LLP. The profit before members' remuneration charged as an expense for the LLP for the year ended 31 December 2021 is £17,306,000 before exceptional items (2020: £10,269,000). See note 11 for detail of exceptional items in the prior year. The loss before members' remuneration charged as an expense after exceptional items in the prior year was £12,915,000.

The financial statements on 10 to 45 were approved by the Members and authorised for issue on 14 July 2022 and were signed on their behalf by:

N R Pettit
Designated Member

Bidwells LLP
Reconciliation of members' interests for the year ended 31 December 2021
Group

	Members' other interests				Loans and other debts due to members			
	Members' reserve (Non-distributable) £'000	Revaluation reserve (Non-distributable) £'000	Other reserves £'000	Total Members' other interests £'000	Members' capital classified as a liability £'000	Other amounts £'000	Total 2021 £'000	Total 2020 £'000
Balance at 1 January	493	1,472	(32,952)	(30,987)	5,500	17,080	(8,407)	(4,572)
Members' remuneration charged as an expense	-	-	-	-	-	9,140	9,140	6,680
Profit for the financial year available for discretionary division among members	-	-	9,026	9,026	-	-	9,026	3,893
Members' interests after profit for the year	493	1,472	(23,926)	(21,961)	5,500	26,220	9,759	6,001
Allocated profits	-	-	(3,893)	(3,893)	-	3,893	-	-
Introduced by members	-	-	-	-	120	-	120	360
Repayment of debt (including members capital classified as a liability)	-	-	-	-	(475)	-	(475)	(665)
Drawings	-	-	-	-	-	(14,592)	(14,592)	(8,943)
Amounts allocated to subsidiary reserves	-	-	(1,157)	(1,157)	-	1,157	-	-
Actuarial gain on pension scheme	-	-	5,158	5,158	-	-	5,158	138
Movement on deferred tax relating to pension scheme recognised through the statement of comprehensive income	-	-	-	-	-	-	-	(5,298)
Members' interest at 31 December	493	1,472	(23,818)	(21,853)	5,145	16,678	(30)	(8,407)

Bidwells LLP
Reconciliation of members' interests for the year ended 31 December 2021
LLP

	Members' other interests				Loans and other debts due to members			
	Members' reserve (Non-distributable) £'000	Revaluation reserve (Non-distributable) £'000	Other reserves £'000	Total Members' other interests £'000	Members' capital classified as a liability £'000	Other amounts £'000	Total 2021 £'000	Total 2020 £'000
Balance at 1 January	493	1,472	(24,755)	(22,790)	5,500	6,224	(11,066)	16,252
Members' remuneration charged as an expense	-	-	-	-	-	9,140	9,140	6,680
Profit for the financial year available for discretionary division among members before exceptional items	-	-	8,166	8,166	-	-	8,166	3,589
Exceptional items	-	-	-	-	-	-	-	(23,184)
Members' interests after profit for the year	493	1,472	(16,589)	(14,624)	5,500	15,364	6,240	3,337
Allocated profits	-	-	24,755	24,755	-	(24,755)	-	-
Introduced by members	-	-	-	-	120	-	120	360
Repayment of debt (including members capital classified as a liability)	-	-	-	-	(475)	-	(475)	(665)
Drawings	-	-	-	-	-	(14,518)	(14,518)	(8,938)
Actuarial Gain (Loss) on pension scheme	-	-	5,158	5,158	-	-	5,158	138
Movement on deferred tax relating to pension scheme recognised through the statement of comprehensive income	-	-	-	-	-	-	-	(5,298)
Members' interest at 31 December	493	1,472	13,324	15,289	5,145	(23,909)	(3,475)	(11,066)

In the event of winding up, loans and other debts due to members and members' other interests rank subordinate to other unsecured creditors.

Bidwells LLP**Consolidated statement of cash flows for the year ended
31 December 2021**

	Note	2021 £'000	2020 £'000
Net cash generated from operating activities	25	15,279	16,072
Taxation received/(paid)		(85)	58
Net cash generated from operating activities		15,194	16,131
Cash flow from investing activities			
Purchase of tangible fixed assets		(1,046)	(444)
Purchase of intangible fixed assets		(114)	(608)
Proceeds from sale of tangible fixed assets		184	185
Proceeds from investments		73	106
Interest received		21	163
Net cash used in investing activities		(882)	(599)
Cash flow from financing activities			
Repayment of obligations under finance leases		(662)	(1,099)
Interest element of finance lease payments		(36)	(51)
New finance leases		600	161
Interest paid		(31)	(17)
Net cash used in financing activities		(129)	(1,006)
Cash flow from transactions with members and former members			
Contributions by members		120	360
Payments to members		(14,592)	(8,806)
Post retirement payments to former members		(475)	(665)
Net cash used in transactions with members and former members		(14,947)	(9,111)
Net increase/(decrease) in cash and cash equivalents	26	(764)	5,415
Cash and cash equivalents at the beginning of the year		5,944	529
Cash and cash equivalents at the end of the year		5,180	5,944
Cash and cash equivalents consist of:			
Cash at bank and in hand		5,180	5,944
Cash and cash equivalents		5,180	5,944

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021

1 Statement of compliance

The financial statements of Bidwells LLP have been prepared under the historical cost convention in accordance with applicable United Kingdom accounting standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" (published December 2018).

General information

Bidwells LLP has prepared consolidated and LLP financial statements for the year to 31 December 2021. Bidwells LLP has presented its financial statements in Sterling, rounded to the nearest whole £1,000, except where otherwise indicated.

Bidwells LLP is a Limited Liability Partnership and is incorporated in Great Britain. The address of Bidwells LLP's registered office is presented on page 1 of these financial statements under Directors and Advisers Details.

Principal activities and review of the business

The principal activity of the Group is the provision of property consultancy and agency services to commercial, residential and rural clients. There have not been any significant changes in the group's principal activities in the year under review.

2 Accounting policies

The principal accounting policies are set out below. The accounting policies have been consistently applied across the Bidwells group to all the years presented, unless otherwise stated.

Basis of consolidation

The Group consolidated financial statements include the financial statements of the LLP and all of its subsidiary undertakings made up to 31 December 2021.

A subsidiary is an entity controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of the joint venture with Creative Places LLP are accounted for using the gross equity method of accounting.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Reduced disclosures

The LLP has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:-

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

Going concern

A going concern review has been carried out using the Group cash flow forecast as a base case scenario, extended to the end of 2023. This forecast builds on the success of 2022 to date where the Group have met the budget revenue targets set for the first 6 months of the year. This strong performance is expected to continue into and throughout 2022.

There is also continued positivity around the expected cash flows of the business, with the cash balance remaining firmly above the bank overdraft facility limit for the entire forecast period.

It is recognised that the market conditions could change over the next 18 months and therefore a sensitivity analysis has been performed, representing a reasonable worst-case scenario, reducing income by 5% and increasing costs by 15%. It is expected that as at end December 2023 in this scenario the cash balance remains positive and therefore continue not to utilise the overdraft facility.

On this basis the members continue to see no issues with the going concern status of the firm and therefore continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover represents amounts chargeable to clients for professional services provided during the year, exclusive of direct expenses incurred on client assignments and excluding value added tax. Turnover is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as contract activity progresses by reference to the value of the work performed. Turnover also includes appropriate amounts in respect of long-term work in progress as described below, to the extent that the outcome of these contracts can be assessed with reasonable certainty. Turnover is not recognised where the right to receive payment is contingent on events outside the control of the group. In respect of transactional business, turnover is recognised on unconditional exchange where completion takes place within one calendar month of the year end. Turnover is recognised over the year in which the services are supplied and consists solely of services provided within the United Kingdom.

Other income

During the current and prior year, the LLP received government income in relation to the Coronavirus Job Retention Scheme. In line with FRS102 paragraph 2.52, the income received has been separately disclosed as other income within the profit and loss account for the year. Grants are recognised as income when the associated performance conditions are met.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

2 Accounting policies (continued)

Functional and presentational currency

The financial statements are presented in sterling which is also the functional currency of the Group.

Foreign currencies

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

Tangible fixed assets and depreciation

With the exception of long leasehold property, tangible fixed assets are stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Long leasehold property is held at historical valuation plus additions to date. Any surplus on revaluation is recognised in the revaluation reserve, which is a non-distributable reserve within Members' other interests.

The long leasehold property is held as security for the Bidwells Pension & Life Assurance Scheme ("BPLAS") and an independent valuation was performed as at 17 March 2021. The market value was assessed as £9,100,000, which is in excess of the current carrying amount of £7,983,000 (Note 14). This has not been reflected in the financial statements as the valuation was undertaken by the pension fund.

Depreciation is provided to write off tangible fixed assets on a straight-line basis to their estimated residual values over their estimated useful economic lives as follows:

Leasehold Buildings	in equal instalments over the length of lease
Motor vehicles	6 years
Fixtures, fittings and office equipment	4 – 7 years

Impairments of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the Group estimates the recoverable amount of the asset or, for goodwill, the recoverable amount of the cash-generating unit to which the goodwill belongs.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairments of revalued assets are treated as a revaluation loss. All other impairment losses are recognised in profit or loss.

Any impairment loss recognised for goodwill is not reversed. For fixed asset other than goodwill, recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

2 Accounting policies (continued)

Reversals of impairment losses are recognised in profit or loss or, for revalued assets, as a revaluation gain. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful life.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Finance and operating leases

Costs in respect of operating leases are charged to the profit and loss account on a straight-line basis over the lease term.

Rent free periods or other incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised, on a straight-line basis over the lease term.

Leasing agreements which transfer to the LLP substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the lower of the useful lives of equivalent owned assets and the expected term of the lease.

Work in progress

Work in progress is the value of the unbilled management and professional time deemed to be recoverable and is stated at the lower of cost and net realisable value. Cost includes direct staff costs, non-discretionary remuneration of members and an appropriate proportion of overheads. No value is attributed to agency work in progress until contracts on the underlying instructions have been unconditionally exchanged, at which point income is recognised in full.

Goodwill

Goodwill represents the excess of the fair value of the consideration given over the agreed value of the identifiable assets acquired. This goodwill has been amortised over its useful economic life, which is 5 years.

Intangible fixed assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses.

Software is amortised over its estimated useful life, of between four and seven years, on a straight-line basis.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Investments

Investments are stated in the balance sheet at cost less any necessary provision for a permanent diminution in value.

Jointly controlled entities

Entities in which the LLP has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

Taxation

Taxation on all Bidwells LLP profits is solely the personal liability of individual members. Consequently, neither taxation nor related deferred taxation arising in respect of Bidwells LLP are accounted for in these financial statements. Amounts retained for tax are treated in the same way as other profits of the LLP and so are included in "*members' other interests*" or in "*loans and other debts due to members*" depending on whether or not division of profits has occurred.

Certain companies dealt with in these consolidated financial statements are subject to corporation tax based on their profits for the accounting year. The tax liabilities and any deferred taxation of these companies are recorded in the profit and loss account under the relevant heading and any related liability is carried as a creditor in the consolidated balance sheet.

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis and only recognised where material.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Financial instruments

The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments.

Recognition and measurement of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument

Classification of financial instruments

Financial instruments are classified as liabilities and equity instruments 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 Group after deducting all of its liabilities.

Financial assets and liabilities at amortised cost

Trade, amounts owed by joint ventures and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Where the arrangement with a debtor constitutes a financing transaction, the debtor is initially measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument and subsequently measured at amortised cost using the effective interest method. The effective interest rate is the market rate used to determine initial measurement adjusted to amortise directly attributable transaction costs.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Trade creditors, other creditors (including accruals)

Trade and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

Where the arrangement with a creditor constitutes a financing transaction, the creditor is initially measured at the present value of future payments discounted at a market rate of interest for a similar instrument and subsequently measured at amortised cost, being transaction price less any amounts settled and the cumulative amortisation (using the effective interest method) of any difference between the amount at initial recognition and the maturity amount. The effective interest rate is the rate that discounts estimated future cash payments to the carrying amount of the financial liability.

Offset of financial instruments

Financial assets and financial liabilities are offset only when the Group currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, or if some (but not substantially all) 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.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Employee benefits

The Group provides a range of benefits to employees, including bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

(a) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Pension Scheme arrangements

Defined benefit plans

The Group operates a defined benefit pension scheme which during the prior year transferred from Copewell Limited to Bidwells LLP. The fund is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the year during which the Group benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members of the scheme.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method.

Liability

The net defined benefit liability represents the present value of the defined benefit obligation minus the fair value of plan assets out of which obligations are to be settled.

The rate used to discount the benefit obligations to their present value is based on market yields for high quality corporate bonds with terms and currencies consistent with those of the benefit obligations.

Gains/Losses

Gains or losses recognised in profit or loss:

- The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost.
- The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.
- Net interest on the net defined benefit liability comprises the interest cost on the defined benefit obligation and interest income on the plan assets, calculated by multiplying the fair value of the plan assets at the beginning of the period by the rate used to discount the benefit obligations.

Gains or losses recognised in other comprehensive income:

- Actuarial gains and losses,

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

2 Accounting policies (continued)

Defined contribution plans

The Group also operates a contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contribution into a separate entity. Once the contributions have been paid the Group 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 company in independently administered funds. The Group provides no other contractual post-retirement benefits to its employees.

Provisions

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and that obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar expenses.

Onerous leases

Provisions are made against operating leases where the unavoidable costs of meeting the contractual lease obligations exceed the economic benefits expected to be received.

Capital

The capital requirements of the LLP are determined from time to time by the LLP. Each member is required to subscribe a proportion of this capital linked to time served. Interest is paid on capital. On leaving the LLP, a member's capital is re-paid by agreement with the member concerned and in accordance with the Members' Agreement. Consequently, Members' capital is treated as a liability in the balance sheet.

Allocation of Profits

The allocation of profits to those who were members during the financial year occurs following the finalisation of the annual financial statements. During the year, members receive monthly drawings and from time to time, additional profit distribution.

The monthly drawings represent payments on account of current year profits and are reclaimable from members until profits have been allocated. Pending the allocation of profits and their division between members, therefore, drawings are shown in "Debtors". Unallocated profits are shown in "Members' other interests". In both cases, necessarily, amounts due from and attributable to members who retired in the year may be included.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

3 Critical accounting judgements and estimation uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the group's accounting policies

The LLP does not consider there to be any critical judgements.

(b) Key accounting estimates and assumptions

The LLP makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) defined benefit pension scheme

The Group has an obligation to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds.

Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. See note 22 for the disclosures relating to the defined benefit pension scheme.

(ii) useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment and note 2 for the useful economic lives for each class of assets.

(iii) impairment of debtors

The company makes an estimate of the recoverable value of the trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the age of debtors and historical experience. See note 18 for the net carrying amount of the debtors and associated impairment provision.

(iv) work in progress (WIP)

Our WIP balance is based upon the individual employee charge out rates with provisions made for aged WIP. Due to the nature of the work performed by Bidwells LLP, employee time can be recorded in advance of billing on certain types of project (up to an agreed cap) and only upon completion of the agreed work is the final amount billed. This can often result in amounts recognised as WIP for a significant period of time, particularly on longer term projects where the amounts are still deemed to be recoverable. However an appropriate increase in provisioning is made against WIP as it moves through the aging categories with any WIP greater than 9 months attracting a 100% provision.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

4 Turnover

The members consider that the Group has only one class of business, which is the provision of property consultancy and agency services to commercial, residential and rural clients. All services are provided in the United Kingdom.

5 Staff costs

Group

The average monthly number of members of the Group during the year was:

	2021 Number	2020 Number
Full members	45	50

The average monthly number of employees of the Group during the year was:

	2021 Number	2020 Number
By business entity:		
Copewell Limited	487	494

	2021 £'000	2020 £'000
Staff costs during the year (excluding members) were as follows:		
Wages and salaries	21,380	21,016
Social security costs	2,412	1,926
Other pension costs	1,233	1,597
	25,025	24,539

Other pension costs include contributions by the Group to staff pensions and the annual PPF levy charge.

Profits are not fully shared amongst members until after the Group financial statements have been finalised and approved by members. The estimated entitlement of the highest paid member for the current year, yet to be fully allocated, is £754,000 (2020: £443,700). The average remuneration per member, yet to be fully allocated, is £334,000 (2020: £207,805).

There are not considered to be any key management personnel in addition to the members of the LLP

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

6 Other income

	2021 £'000	2020 £'000
Furlough credit	37	1,501

The firm took the decision in March 2020 to furlough a proportion of the employees of the Group. This income represents grants received through the Coronavirus Job Retention Scheme (CJRS) during the year.

7 Group operating profit

In addition to those items disclosed on the face of the consolidated profit and loss account, Group operating profit is stated after charging/(crediting):

	2021 £'000	2020 £'000
Depreciation of tangible assets:		
- Owned assets	850	906
- Leased assets	418	449
Amortisation of intangible assets		
- Owned assets	347	356
Loss/(Profit) on sale of tangible assets	180	(2)
Operating lease rentals:		
- Other	664	1,099
Fees payable to the LLP auditors for the audit of parent company and consolidated financial statements	58	59
- The audit of the LLP's subsidiaries	11	15
Fees payable to the LLP auditors and its associates for other services:		
- Tax advisory services	12	-
- Tax compliance services	18	40

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

8 Interest receivable and similar income

	2021 £'000	2020 £'000
Bank interest receivable	21	163

9 Interest payable and similar charges

	2021 £'000	2020 £'000
Interest payable on overdrafts	31	18
Finance leases	36	51
Interest cost on post-employment benefits	660	881
Finance expense	727	950

10 Tax on profit

a) Tax expenses included in profit or loss

	2021 £'000	2020 £'000
United Kingdom corporation tax at 19% (2020: 19%):		
Current year	271	93
Adjustment in respect of previous years	-	(71)
Total current tax	271	22
Deferred tax:		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on profit	271	22

The tax charge is in respect of Copewell Limited and Bidwells Holdings Limited. Tax payable in respect of Bidwells LLP is a liability of the individual members.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

10 Tax on profit (continued)

Deferred tax arising on the difference between capital allowances and depreciation in the current and prior year has not been recognised on the basis that this is not material.

b) Reconciliation of tax charge

The tax assessed for the year is lower than (2020: lower than) the standard effective rate of corporation tax in the UK for the year ended 31 December 2021 of 19% (2020: 19%).

The differences are explained below:

	2021 £'000	2020 £'000
Profit before taxation	18,437	10,595
Profit before taxation multiplied by the standard rate of UK corporation tax at 19% (2020: 19%)	3,503	2,013
<i>Effects of:</i>		
Profit not subject to corporation tax	(3,250)	(1,930)
Expenses not deductible for tax purposes	7	10
Timing differences	11	-
Adjustment in respect of previous years	-	(71)
Total current tax	271	22

c) Tax rate changes

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. As the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Tax not recognised in the profit and loss account:

	2021 £'000	2020 £'000
Movement on deferred tax relating to pension scheme deficit	-	(140)

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

11 Exceptional items

	2021 £'000	2020 £'000
Amounts written off investments	-	23,184

The exceptional items have arisen as a result of an impairment of the LLP's investment in Copewell Limited. The impairment assessment was performed by management and initiated by the pension transfer transaction and is not indicative of the underlying performance of the business.

12 Deferred tax asset

The provision for deferred tax consists of the following deferred tax assets all arising on the pension liability:

	2021 Group £'000	2020 Group £'000
At 1 January	-	5,438
Deferred tax charge	-	(140)
Deferred tax derecognition	-	(5,298)
At 31 December	-	-

Following the transfer of the pension scheme to Bidwells LLP the deferred tax asset has been derecognised during the prior year. Bidwells LLP does not incur corporation tax and therefore no asset is recognised for the offset of future contributions against taxable profits since the partners of the LLP incur the tax liability.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 *(continued)*

13 Intangible assets

Group

	Software £'000
Cost	
At 1 January 2021	2,126
Additions	114
At 31 December 2021	2,240
Accumulated amortisation	
At 1 January 2021	892
Charge for year	347
At 31 December 2021	1,239
Net book value at 31 December 2021	1,001
Net book value at 31 December 2020	1,234

LLP

	Software £'000
Cost	
At 1 January 2021	694
Additions	67
At 31 December 2021	761
Accumulated amortisation	
At 1 January 2021	550
Charge for year	59
At 31 December 2021	609
Net book value at 31 December 2021	152
Net book value at 31 December 2020	144

Bidwells LLP**Notes to the financial statements for the year ended 31 December 2021 (continued)****14 Tangible assets****Group**

	Long leasehold buildings	Short leasehold buildings	Motor vehicles	Fixtures, fittings and office equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 January 2021	8,747	1,049	3,196	3,373	16,365
Additions	-	23	624	399	1,046
Disposals	-	(472)	(835)	(606)	(1,913)
At 31 December 2021	8,747	600	2,985	3,166	15,498
Accumulated depreciation					
At 1 January 2021	765	883	1,465	2,316	5,429
Charge for year	241	28	511	488	1,268
Disposals	-	(372)	(571)	(606)	(1,549)
At 31 December 2021	1,006	539	1,405	2,198	5,148
Net book value					
At 31 December 2021	7,741	61	1,580	968	10,350
At 31 December 2020	7,982	166	1,731	1,057	10,936

The net book value of tangible fixed assets includes an amount of £1,174,000 (2020: £1,254,000) in respect of assets held under finance leases.

The total depreciation charge in the year allocated in respect of assets held under finance leases is £418,000 (2020: £450,000). Assets held under finance leases relate to motor vehicles.

Bidwells LLP

Notes to the financial statements for the year ended 31 December 2021 (continued)

14 Tangible assets (continued)

LLP	Long leasehold buildings	Short leasehold buildings	Motor vehicles	Fixtures, fittings and office equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 January 2021	8,747	1,049	1,205	3,373	14,374
Additions	-	23	313	399	735
Disposals	-	(472)	(378)	(606)	(1,456)
At 31 December 2021	8,747	600	1,140	3,166	13,653
Accumulated depreciation					
At 1 January 2021	765	883	526	2,316	4,490
Charge for year	241	28	203	488	960
Disposals	-	(372)	(239)	(606)	(1,217)
At 31 December 2021	1,006	539	490	2,198	4,233
Net book value					
At 31 December 2021	7,741	61	650	968	9,420
At 31 December 2020	7,982	166	679	1,057	9,884

The net book value of tangible fixed assets includes an amount of £257,312 (2020: £324,613) in respect of assets held under finance leases.

The total depreciation charge in the year allocated in respect of assets held under finance leases is £115,034 (2020: £118,608). Assets held under finance leases relate to motor vehicles.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

15 Investments

Group	Interests in joint venture £'000	Other investments £'000	Total £'000
Cost			
At 1 January 2021	108	15	123
Share of profits paid	(73)	-	(73)
Share of profits retained	121	-	121
At 31 December 2021	156	15	171
Provision for impairment			
At 1 January 2021	-	-	-
At 31 December 2021	-	-	-
Net book value			
At 31 December 2021	156	15	171
At 31 December 2020	108	15	123

LLP	Investments in group undertakings £'000	Investment in joint venture £'000	Other investments £'000	Total £'000
Cost				
At 1 January 2021	23,204	35	15	23,254
At 31 December 2021	23,204	35	15	23,254
Provision for impairment				
At 1 January 2021	23,184	-	-	23,184
Impairment charge in year	-	-	-	-
At 31 December 2021	23,184	-	-	23,184
Net book value				
At 31 December 2021	20	35	15	70
At 31 December 2020	20	35	15	70

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

15 Investments (continued)

Following the transfer of the pension scheme from Copewell Limited to Bidwells LLP during the prior year, the net pension liability recognised in Bidwells LLP represents a capital contribution by the LLP in Copewell Limited. Due to the low value of net assets in Copewell Limited at the time of transfer and since the business of this entity is solely to provide employee services within the Group, the investment was fully impaired in the prior year.

16 Subsidiary undertakings

The financial statements consolidate the results and financial position of the Group, including the subsidiary undertakings listed below, all of which are registered at Bidwell House, Trumpington Road, Cambridge, CB2 9LD:

	Proportion of nominal value of shares held by the Group	Principal activity
Subsidiary undertakings		
Copewell Limited	100%	Service company and employment of staff
Bidwells Holdings Ltd	100%	Holding company
Joint Venture		
Creative Places LLP	50%	Consultancy services in the research and development industry

Note that Copewell Limited is 100% owned by Bidwells Holdings Limited.

The designated members believe that the carrying value of the investments is supported by their underlying net assets.

Creative Places LLP is a joint venture with one other member who owns 50% of the business.

17 Work in progress

	2021 Group £'000	2020 Group £'000	2021 LLP £'000	2020 LLP £'000
Work in progress	2,015	1,058	2,015	1,058

Work in progress is stated after provisions for impairment of £1,128,992 (2020: £1,126,204)

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

18 Debtors

	2021 Group £'000	2020 Group £'000	2021 LLP £'000	2020 LLP £'000
Trade debtors	10,740	8,600	10,740	8,601
Amounts owed by joint venture	29	65	-	-
Other debtors	122	248	12	77
Prepayments and accrued income	1,142	1,181	972	974
	12,033	10,094	11,724	9,652

Trade debtors are stated after provisions for impairment of £48,000 (2020: £20,000).

Amounts owed by joint venture are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

19 Creditors: amounts falling due within one year

	2021 Group £'000	2020 Group £'000	2021 LLP £'000	2020 LLP £'000
Trade creditors	363	1,002	321	753
Amounts owed to group undertakings	-	-	3,976	1,242
Amounts owed to joint venture	-	-	21	6
Obligations under finance leases	348	523	106	182
Other creditors	565	181	326	60
Corporation tax	278	92	-	-
Other taxation and social security	2,290	4,655	1,539	3,919
Accruals and deferred income	4,555	3,087	692	391
	8,399	9,540	6,981	6,553

Amounts owed to group undertakings and joint venture are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

20 Creditors: amounts falling due after more than one year

	2021 Group '000	2020 Group £'000	2021 LLP £'000	2020 LLP £'000
Obligations under finance leases	307	194	118	12

Maturity of financial liabilities

Bank loan and overdrafts

The Group has an overdraft facility available with its bank of £2,000,000 (2020: £2,000,000).

Finance leases

	2021 Group £'000	2020 Group £'000	2021 LLP £'000	2020 LLP £'000
Due within 1 year	348	523	106	182
Due within 1 – 2 years	220	168	101	10
Due within 2 – 5 years	87	26	17	2
	655	717	224	194

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

21 Provision for liabilities

	2021 Group £'000	2020 Group £'000	2021 LLP £'000	2020 LLP £'000
Provisions				
At 1 January	177	505	177	505
Utilised during the year	(61)	(328)	(61)	(328)
Additional provisions	859	-	859	-
At 31 December	975	177	975	177

Provisions

Dilapidation provision

Provision relates to former premises from which the Group no longer operate business from for which the lease terminates within a year of the financial statements. Provision was made to account for the expenditure required to revert the office back to its original state ahead of the end of the lease.

Other provisions

Provision relates to claims raised by the Groups clients for potential contract issues in excess of the professional indemnity insurance coverage. Provision has been made at the best estimate of the potential liability at the year end

Bidwells LLP

Notes to the financial statements for the year ended

31 December 2021 (continued)

22 Pension and similar obligations

The Bidwells Pension & Life Assurance Scheme ("BPLAS") is a defined benefit scheme. The assets of the scheme are held separately from those of the LLP, being invested with Aberdeen Standard Life, Barings, BMO and Arcmont.

Prior to 2020, BPLAS was a multi-employer scheme with Copewell Limited and Bidwells LLP both acting as participating employers. For the period to March 2020, Copewell Limited was the principal employer of BPLAS however from this date, Bidwells replaced Copewell Limited as principal employer and Copewell Limited ceased to be a participating employer in the scheme.

At the date of transfer, the parties entered into a flexible apportionment arrangement to apportion all of Copewell Limited's liabilities in relation to BPLAS to Bidwells LLP.

As at the transfer date, the net pension liability relating to the scheme was transferred to Bidwells LLP and as a result of the LLP not being required to pay Corporation Tax, the deferred tax balance as calculated at December 2019 was derecognised and as at end December 2020 the pension liability was recognised without a deferred tax element.

The latest comprehensive actuarial valuation of the scheme was carried out by a qualified independent actuary at 1 November 2020 updated to 31 December 2021 for the purposes of FRS102. The scheme was closed to new members from May 2002, and contribution rates from both employees and employers were reviewed and a planned programme of additional contributions actioned, in order to eliminate this deficit by 2032.

Contributions paid during the year amounted to £2,288,000 (2020: £1,550,000) from the employer.

The principal employer Copewell Limited closed the scheme to future accrual on 1st May 2012 and all active members became deferred at this date.

The financial and demographic assumptions used to calculate scheme liabilities under FRS102 are as follows:

	2021	2020
Discount rate	2.0%	1.4%
Rate of increase in salaries	n/a	n/a
Rate of increase in pre 1997 pensions in payment	3.0%	2.1%
Rate of increase in 1997-2002 pensions in payment	3.0%	3.5%
Rate of increase in 2002-2007 pensions in payment	2.5%	2.8%
Rate of increase in post 2007 pensions in payment	2.5%	2.1%
Rate of revaluation of pensions in deferment	5.0%	2.9%
Inflation	3.3%	2.9%
Mortality rates – Non pensioners female	25.0 years	24.9 years
Mortality rates – Non pensioners male	22.3 years	22.2 years
Mortality rates – Pensioners female	23.8 years	23.8 years
Mortality rates – Pensioners male	21.4 years	21.3 years

Any 0.1% change in the discount rate has the impact of increasing or decreasing the liability by approximately £1,199,000.

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

22 Pension and similar obligations (continued)

The following amounts at 31 December 2021 were measured in accordance with the requirements of FRS102:

The assets in the scheme and the expected rate of return were:

	Value at 31 December 2021 £'000	Long term rate of return expected 31 December 2021 %	Value at 31 December 2020 £'000
Diversified growth fund	26,175	7.7	25,888
LDI Funds	16,408	3.1	18,176
Direct lending	4,348	7.7	1,924
Cash	814	0.5	340
Total market value of assets	47,745		46,328
Present value of scheme liabilities	(68,844)		(74,213)
Deficit in the scheme	(21,099)		(27,885)

Reconciliation of present value of scheme liabilities:

	2021 £'000	2020 £'000
At 1 January	74,213	68,264
Interest cost	1,027	1,407
Benefits paid	(1,659)	(2,578)
Remeasurement of past service costs	-	70
Experience loss/(gain) on defined benefit obligation	69	(1,213)
Changes to demographic assumptions	497	77
Changes to financial assumptions	(5,303)	8,186
At 31 December	68,844	74,213

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

22 Pension and similar obligations (continued)

Reconciliation of fair value of scheme assets

	2021 £'000	2020 £'000
At 1 January	46,328	39,642
Interest on assets	367	526
Return on plan assets less interest	421	7,188
Benefits paid	(1,659)	(2,578)
Contributions paid by employer	2,288	1,550
At 31 December	47,745	46,328

Reconciliation to statement of comprehensive income

	2021 £'000	2020 £'000
Changes to demographic assumptions	(497)	(77)
Changes to financial assumptions	5,303	(8,186)
Return on plan assets less interest	421	7,188
Experience (loss)/gain on defined benefit obligation	(69)	1,213
Total	5,158	138

Total costs recognised as an expense

	2021 £'000	2020 £'000
Past service cost	-	70
Interest cost	660	881
Total	660	951

The return on the plan assets was:

	2021 £'000	2020 £'000
Interest on assets	367	526
Return on plan assets less interest	421	7,188
Total return on plan assets	788	7,714

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

22 Pension and similar obligations (continued)

Defined contribution scheme

The Group also operates a defined contribution group personal pension plan and membership is open to all employees of the LLP who joined after May 2002. The LLP matches employees' contributions at rates from 4% to 8%.

Employer's pension contribution during the year amounted to £1,190,047 (2020: £1,549,759). There are defined contribution pension contributions included in creditors at the year-end of £150,000 (2020: £181,000).

23 Capital commitments

The Group has £474,695 of capital commitments at the balance sheet date (2020: nil) relating to the purchase of motor vehicles.

The LLP has £76,110 of capital commitments at the balance sheet date (2020: nil) relating to the purchase of motor vehicles.

24 Financial commitments

At 31 December, the Group and the LLP had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Group	2021 Land and buildings £'000	2020 Land and buildings £'000
Not later than one year	688	789
Later than one year and not later than five years	1,198	1,556
Later than five years	6,861	7,028
	8,747	9,373

Bidwells LLP**Notes to the financial statements for the year ended
31 December 2021 (continued)****24 Financial commitments (continued)****LLP**

	2021 Land and buildings £'000	2020 Land and buildings £'000
Not later than one year	688	789
Later than one year and not later than five years	1,198	1,556
Later than five years	6,861	7,028
	8,747	9,373

25 Net cash generated from operating activities**Reconciliation of operating profit to net cash inflow from operating activities:**

	2021 £'000	2020 £'000
Profit for the financial year	18,166	10,573
Adjustments for:		
Tax on profit	271	22
Net interest expense	706	787
Share of operating profit of joint venture	(121)	(73)
Operating profit	19,022	11,309
Amortisation charge	347	356
Depreciation charge	1,268	1,355
Loss/(Profit) on disposal of fixed assets and property	180	(2)
Loss on disposal of intangible fixed assets	-	4
Cash contributions into pension scheme	(2,288)	(1,480)
Increase/(Decrease) in provisions	798	(328)
(Increase)/Decrease in work in progress	(957)	204
(Increase)/Decrease in debtors	(1,939)	1,637
(Decrease)/Increase in creditors	(1,152)	3,017
Net cash generated from operations	15,279	16,072

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

26 Analysis of changes in net debt

	At 1 January 2021 £'000	Net cash flow £'000	At 31 December 2021 £'000
Cash at bank and in hand	5,944	(764)	5,180
Obligations under finance leases	(717)	62	(655)
Members' capital classified as a liability	(5,500)	355	(5,145)
	(273)	(347)	(620)

	At 1 January 2020 £'000	Net cash flow £'000	At 31 December 2020 £'000
Cash at bank and in hand	529	5,415	5,944
Obligations under finance leases	(1,655)	938	(717)
Members' capital classified as a liability	(5,805)	305	(5,500)
	(6,931)	6,658	(273)

Bidwells LLP
Notes to the financial statements for the year ended
31 December 2021 (continued)

27 Related party transactions

The LLP has taken advantage of the exemption available under FRS 102 not to provide information on related party transactions with other undertakings within the Bidwells Group.

	Value of transactions 2021 £'000	Receivable/ (payable) at year end 2021 £'000	Value of transactions 2020 £'000	Receivable/ (payable) at year end 2020 £'000
Transactions with Creative Places LLP:				
Provision of employee services to Creative Places LLP	325	50	263	59
Creative Places LLP income billed by Bidwells LLP	96	(30)	95	(16)
Recharges for overheads and professional indemnity insurance	46	9	41	9
Expenses paid on behalf of Creative Places LLP	3	-	3	1
Profit Share recoverable from Creative Places LLP	121	121	73	73
	591	150	475	126

28 Ultimate controlling party

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