

Critchleys LLP

(LLP no OC354137)

Consolidated Financial Statements

For the year ended

31 May 2016

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CRITCHLEYS LLP

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CRITCHLEYS LLP

Members and Professional Advisers

Designated members	Kevin Byrne FCA Michael Good Ltd Anthony Harris Ltd Gerry Jackson Ltd Peter Kemp Ltd Robert Kirtland Ltd Gavin Little Ltd Jason McGuigan Ltd Mark Rusher Ltd	(retired 26 May 2016) (retired 26 May 2016) (resigned 26 May 2016) (resigned 26 May 2016) (resigned 26 May 2016) (appointed 26 May 2016)
Members	Katherine Bruce Anthony Harris Gerry Jackson Peter Kemp Lawrence King Kathryn Pocock Andrew Rodzynski Justin Ray Ltd Caroline Webster Martin Wright ACA Critchleys Annuitants	(appointed 1 June 2015) (appointed 26 May 2016) (appointed 26 May 2016) (appointed 26 May 2016) (appointed 1 June 2015) (appointed 1 June 2015) (appointed 1 June 2015) (resigned 31 October 2015) (appointed 1 June 2015)
Registered Office	Greyfriars Court Paradise Square Oxford OX1 1BE	
Bankers	Barclays Bank plc Minns Business Park 3 West Way Oxford OX2 0SZ	
Registered Auditor	Mercer Lewin Ltd Registered Auditors 41 Cornmarket Street Oxford OX1 3HA	

CRITCHLEYS LLP

Members' Report

The members present their annual report and group financial statements for the year ended 31 May 2016.

PRINCIPAL ACTIVITY

The group's principal activities are that of a firm of Chartered Accountants and the provision of financial, HR, payroll and specialist taxation services.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

A summary of the results for the year and the financial position are set out in the financial statements on pages 7 to 24.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

Our management controls are appropriate to the conditions, but we remain exposed to the same environmental factors as our client base.

In addition, succession planning is critical to our future. As a people based business, the training and development of our teams is important. Regulatory changes by Government may have severe impacts on our business, but we believe that our planning processes are robust enough to identify potential issues at an early stage so that we can take avoiding action.

In summary, we remain comfortable that our risks are mitigated by planning, management control and insurance cover.

KEY PERFORMANCE INDICATORS

The key performance indicators for profit and loss account are fees, gross profit % and net profit, for balance sheet they are working capital compared to income.

CRITCHLEYS LLP

Members' Report (continued)

DESIGNATED MEMBERS

The designated members of the LLP during the year together with subsequent changes are listed on page 1

STATEMENT OF MEMBERS RESPONSIBILITIES

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008) requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with FRS102. Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and the group and of the group profit for the 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 UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP will continue in business

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

So far as each member at the date of approval of this report is aware:

- there is no relevant audit information of which the LLP's auditors are unaware, and
- the members have taken all steps that they ought to have to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The members' responsibilities above are discharged by the Designated Members and Finance Director.

On behalf of the members



R Kirtland (On behalf of Robert Kirtland Ltd)
Chairman

CRITCHLEYS LLP

Independent Auditors' Report to the members of Critchleys LLP

We have audited the financial statements of Critchleys LLP for the year ended 31 May 2016, which comprise the Consolidated Income Statement, the Statements of Financial Position, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their presentation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). Our work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an 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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the Members' Responsibilities Statement set out on page 3, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board (APB's) Ethical Standard for Auditors.

Scope of the audit and financial statements

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

CRITCHLEYS LLP

Independent Auditors' Report (continued) to the members of Critchleys LLP

Opinions on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent limited liability partnership's affairs as at 31 May 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS102; and
- have been properly 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 the Companies Act 2006) Regulations 2008

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate reporting 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.



Andrew Churchill Stone
Senior Statutory Auditor

for and on behalf of:

Mercer Lewin Ltd, Statutory Auditor

41 Cornmarket Street
Oxford
OX1 3HA

Date 27. Feb. 17

CRITCHLEYS LLP

Accounting Policies for the year ended 31 May 2016

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice; Accounting for Limited Liability Partnerships as published in 2006.

The group's principal accounting policies are set out below and have been applied consistently:

(a) BASIS OF PREPARATION

The consolidated financial statements comprise the accounts of Critchleys LLP and all of its subsidiary undertakings drawn up to 31 May each year.

These financial statements for the year ended 31 May 2016 are the first financial statements that comply with FRS 102. The date of transition is 1 June 2015.

The transition to FRS 102 has resulted in only a small change in accounting policies compared to those used previously

The following notes to the financial statements describe the differences between the profit or loss presented previously, and the amounts as restated to comply with the accounting policies selected in accordance with FRS 102 for the reporting period ended at 31 May 2016, as well as equity presented in the opening statement of financial position (ie 1 June 2015). It also describes all the required changes in accounting policies made on first-time adoption of FRS 102.

No profit and loss account is presented for Critchleys LLP as permitted by Section 408 of Companies Act 2006. The LLP's profit for the year was £1,033,000 (2015: £925,000)

(b) REVENUE RECOGNITION

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

For incomplete contracts, an assessment is made of the extent to which the revenue has been earned. This assessment takes into account the nature of the assignment, its stage of completion and the relevant contract terms. Revenue in respect of contingent fee engagements (over and above any agreed minimum fee) is recognised when the contingent event occurs and the recoverability of the fee assured.

Accrued income includes the value of work performed which has not been invoiced at the year end, in accordance with FRS 102.

Commission income is included in the accounts on an accruals basis.

CRITCHLEYS LLP

Accounting Policies

for the year ended 31 May 2016

(c) AMORTISATION / INTANGIBLE FIXED ASSETS

Amortisation is calculated to write down the cost less estimated residual value of all intangible fixed assets over their expected useful lives as follows:

Goodwill – acquisitions	20% per annum of cost
Goodwill – retiring members	10% per annum of cost

(d) DEPRECIATION / PROPERTY, PLANT AND EQUIPMENT

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives as follows:

Property improvements	10% per annum of cost
Fixtures and fittings	15% per annum of net book value
Computer equipment	25% per annum of cost
Plant and Machinery	15% per annum of net book value

(e) GOODWILL

Goodwill is the difference between the fair value of consideration paid for an acquired entity and the aggregate of the fair value of that entity's identifiable assets and liabilities.

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

(f) INVESTMENTS

Investments in subsidiary undertakings are stated at cost less amounts written off.

(g) LEASED ASSETS

Where assets are financed by leasing (or hire purchase) agreements that give risks and rewards which approximate to ownership ("finance leases"), they are treated as if they had been purchased outright on credit. They are therefore initially recorded as a fixed asset and a liability at a sum equal to the fair value of the asset.

Leasing payments on such assets are regarded as consisting of a capital element which reduces the outstanding liability, and an interest charge.

Depreciation on such assets is based on the normal depreciation policy as detailed above.

All other leases are regarded as operating leases and total payments made under them are charged to the profit and loss account on a straight line basis over the duration of the lease.

CRITCHLEYS LLP

Accounting Policies for the year ended 31 May 2016 (continued)

(h) PENSION COSTS

The group and LLP operate a defined contribution scheme. The assets of the scheme are held separately from those of the group and LLP in an independent administered fund. The pension cost charge represents contributions payable by the group to the fund.

(i) PROVISIONS FOR LIABILITIES

Dilapidations

Provision is made for any property dilapidation costs that may be incurred in the future, upon termination of a lease, where the cost is likely to be incurred and a reasonable estimate can be made.

Annual leave

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. A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of Financial Position date.

Post-retirement benefits payable to former members

LLP designated members have a contractual obligation to provide certain former and current members with annuities following their retirement. The obligation for all annuities remains with the members for the time being. Accordingly the accounts of the LLP reflect no future obligation.

(j) FINANCIAL INSTRUMENTS

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, and loans to related third parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently at the undiscounted amount of the cash or other consideration expected to be paid or received.

(k) MEMBERS' DRAWINGS AND THE SUBSCRIPTION AND REPAYMENT OF MEMBERS' CAPITAL

In accordance with the LLP agreement, from time to time the firm determines the amount of profit to be treated as members' fixed remuneration. This profit is treated as allocated. Allocated profit is included within 'loans and other debts due to members'. The remaining profit is allocated on a discretionary basis per the members' agreement and therefore is shown as 'profit available for discretionary division among members' in the profit and loss account and also within an equity reserve, 'other reserves', on the statement of financial position.

The members participate fully in the LLP's profit, share the risks and subscribe the firm's capital.

CRITCHLEYS LLP

Accounting Policies for the year ended 31 May 2016 (continued)

An individual member's capital requirement is linked to his or her profit share and the financing requirements of the firm. An interest rate of 2% above bank base rate is paid on the Members' Interests as brought forward at the start of the financial reporting period. There is no opportunity for appreciation in value of the capital subscribed. Just as incoming members introduce their capital at "par", retiring members are repaid their capital at "par". The payment of capital to retiring members is made over a period of 24 months.

The firm's drawings policy allows each member to draw a proportion of his or her profit share in twelve monthly instalments with the balance of their profits paid in four quarterly instalments, subject to the cash requirements of the business. The firm does not withhold any amounts for taxation from profit shares.

CRITCHLEYS LLP

Consolidated Income Statement for the year ended 31 May 2016

	Note	2016 £'000	2015 £'000
Gross income	1	9,204	8,491
Disbursements		(219)	(152)
Net income		8,985	8,339
Direct costs	1	(4,298)	(4,344)
Gross profit		4,687	3,995
Overheads		(1,616)	(1,508)
Other operating income		39	7
Operating profit	1	3,110	2,494
Bank interest receivable		0	0
Interest payable	2	(4)	(6)
Profit on ordinary activities		3,106	2,488
Minority interest	13	(176)	(176)
Profit for the year before members' remuneration and profit shares		2,930	2,312
Members' remuneration charged as an expense		(1,897)	(1,387)
Profit for the financial year available for discretionary division among members	12	1,033	925

The accounting policies on pages 7 to 9 and the notes on pages 14 to 24 form an integral part of these financial statements

CRITCHLEYS LLP

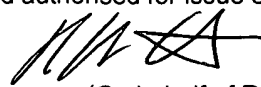
Statements of Financial Position

As at 31 May 2016

	Note	Group 2016 £'000	Group 2015 £'000	LLP 2016 £'000	LLP 2015 £'000
FIXED ASSETS					
Intangible assets	5	300	38	300	0
Tangible assets	6	259	253	244	245
Investments	7	0	0	194	181
		<u>559</u>	<u>291</u>	<u>738</u>	<u>426</u>
CURRENT ASSETS					
Debtors	8	3,020	2,753	2,546	2,273
Cash at bank and in hand		<u>256</u>	<u>195</u>		
		<u>3,276</u>	<u>2,948</u>	<u>2,546</u>	<u>2,273</u>
CREDITORS: Amounts falling due within one year	9	<u>(1,942)</u>	<u>(1,757)</u>	<u>(1,476)</u>	<u>(1,310)</u>
NET CURRENT ASSETS		<u>1,334</u>	<u>1,191</u>	<u>1,070</u>	<u>963</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,893</u>	<u>1,482</u>	<u>1,808</u>	<u>1,389</u>
CREDITORS: Amounts falling due after more than one year	10	<u>(150)</u>	<u>0</u>	<u>(150)</u>	<u>0</u>
PROVISIONS FOR LIABILITIES	11	<u>0</u>	<u>(166)</u>	<u>0</u>	<u>(166)</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>1,743</u>	<u>1,316</u>	<u>1,658</u>	<u>1,223</u>
REPRESENTED BY:					
LOANS AND OTHER DEBTS DUE TO MEMBERS					
Members' capital classified as a liability (due in more than one year)	12	910	720	910	720
Other amounts (due within one year)	12	<u>(285)</u>	<u>(422)</u>	<u>(285)</u>	<u>(422)</u>
		<u>625</u>	<u>298</u>	<u>625</u>	<u>298</u>
MEMBERS' OTHER INTERESTS					
Other reserves	12	1,033	925	1,033	925
Minority interest	13	<u>85</u>	<u>93</u>		
		<u>1,743</u>	<u>1,316</u>	<u>1,658</u>	<u>1,223</u>
TOTAL MEMBERS' INTERESTS	12	<u>1,658</u>	<u>1,223</u>	<u>1,658</u>	<u>1,223</u>

The financial statements were approved by the Members and authorised for issue on 24th February 2017

G Little
(On behalf of Gavin Little Ltd)

R Kirtland
(On behalf of Robert Kirtland Ltd)

The accounting policies on pages 7 to 9 and the notes on pages 14 to 24 form an integral part of these financial statements

CRITCHLEYS LLP

Consolidated Statement of Cash Flows for the year ended 31 May 2016

	Note	2016 £'000	2016 £'000	2015 £'000	2015 £'000
Cash inflow from operating activities					
Profit for financial year		3,106		2,488	
Adjustments for:					
Depreciation		97		83	
Amortisation		38		39	
Provisions for liabilities		(166)		7	
Profit on disposal of property, plant and equipment					
Interest paid		4		6	
Interest received					
Taxation					
Decrease/(increase) in trade and other receivables		(267)		(179)	
Decrease/(increase) in inventories					
Increase/(Decrease) in trade payables		161		(9)	
Cash from operations		2,973		2,435	
Interest paid		(4)		(6)	
Income taxes paid					
<i>Net cash generated from operating activities</i>			2,969		2,429
Cash flows from investing activities					
Proceeds from sale of equipment		0		3	
Purchase of property, plant and equipment		(103)		(193)	
Purchase of intangible assets		(300)		0	
Interest received		0		0	
<i>Net cash generated from investing activities</i>			(403)		(190)
Cash flows from financing activities					
Capital introduced		350		240	
Capital repaid		(120)		0	
Payments to members	12	(2,548)		(2,418)	
Payments made to minority interests	13	(184)		(187)	
Repayment of borrowings		0		0	
<i>Net cash used in financing activities</i>			(2,502)		(2,365)
Net increase/(decrease) in cash and cash equivalents	16		64		(126)
Cash and cash equivalents at beginning of year			(265)		(139)
Cash and cash equivalents at end of year	16		(201)		(265)

The accounting policies on pages 7 to 9 and the notes on pages 14 to 24 form an integral part of these financial statements

CRITCHLEYS LLP

Consolidated Statement of Changes in Equity for the year ended 31 May 2016

Group	Members' capital classified as equity	Members' other interest	Total
At 1 June 2014	480	609	1,089
Profit for the financial year available for discretionary division among members		925	925
Other comprehensive income			0
Total comprehensive income for the year	0	925	925
Capital introduced	240		240
Division of profits		(1,031)	(1,031)
At 1 June 2015	720	503	1,223
Profit for the financial year available for discretionary division among members		1,033	1,033
Other comprehensive income			0
Total comprehensive income for the year	0	1,033	1,033
Capital introduced	230		230
Retiring members reclassified	(40)	(137)	(177)
Division of profits		(651)	(651)
At 31 May 2016	910	748	1,658

LLP	Members' capital classified as equity	Members' other interest	Total
At 1 June 2014	480	609	1,089
Profit for the financial year available for discretionary division among members		925	925
Other comprehensive income			0
Total comprehensive income for the year	0	925	925
Capital introduced	240		240
Division of profits		(1,031)	(1,031)
At 1 June 2015	720	503	1,223
Profit for the financial year available for discretionary division among members		1,033	1,033
Other comprehensive income			0
Total comprehensive income for the year	0	1,033	1,033
Capital introduced	230		230
Retiring members reclassified	(40)	(137)	(177)
Division of profits		(651)	(651)
At 31 May 2016	910	748	1,658

The accounting policies on pages 7 to 9 and the notes on pages 14 to 24 form an integral part of these financial statements

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016

1. GROSS INCOME AND OPERATING PROFIT

Gross income and operating profit are attributable to the principal activity and arose in the United Kingdom.

	2016 £'000	2015 £'000
Operating profit is stated after charging		
Depreciation – owned assets	97	83
Amortisation	38	39
Auditors' remuneration	11	11
Profit attributable to non-designated members of subsidiaries	388	404

2. INTEREST PAYABLE

	2016 £'000	2015 £'000
On bank loans and overdrafts repayable within 5 years	4	6

3. STAFF COSTS

	2016 £'000	2015 £'000
Staff costs during the year were:		
Wages and salaries	3,291	3,354
Social security costs	335	348
Other pension costs	119	124
	<u>3,745</u>	<u>3,826</u>
Average number of employees		
Client service staff	93	83
Support staff	15	14
	<u>108</u>	<u>97</u>

The group participates in a defined contribution pension scheme. The assets of the Scheme are held separately from those of the group in an independently administered fund. The group had contributions outstanding at the year end of £ 20,294 (2015: £ 21,824)

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

4. MEMBERS' SHARE OF PROFITS

Profits are divided among members in accordance with established profit sharing arrangements and includes interest on members' funds. Members are required to make their own provision for pensions from their profit shares.

	2016 £'000	2015 £'000
Average allocated profit per member	<u>170</u>	<u>196</u>
The share of allocated profits which is allocated to the member With the largest entitlement to profit was	<u>294</u>	<u>262</u>
	2016 Number	2015 Number
Average number of members	<u>15</u>	<u>11</u>

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

5. INTANGIBLE FIXED ASSETS

Group only	Goodwill £'000
Cost	
At 1 June 2015	193
Additions	300
Disposals	0
At 31 May 2016	493
Amortisation	
At 1 June 2015	155
Additions	38
Disposals	0
At 31 May 2016	193
Net book values	
At 31 May 2016	300
At 31 May 2015	38
LLP	Goodwill £'000
Cost	
At 1 June 2015	0
Additions	300
Disposals	0
At 31 May 2016	300
Amortisation	
At 1 June 2015	0
Additions	0
Disposals	0
At 31 May 2016	0
Net book values	
At 31 May 2016	300
At 31 May 2015	0

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

6. PROPERTY, PLANT AND EQUIPMENT

Group	Total £'000	Furniture and Fittings £'000	Computer Equipment £'000	Bicycles £'000	Plant and Machinery £'000
Cost					
At 1 June 2015	1,536	230	1,300	6	0
Additions	103	7	95	0	1
Disposals	0	0	0	0	0
At 31 May 2016	1,639	237	1,395	6	1
Depreciation					
At 1 June 2015	1,283	184	1,093	6	0
Additions	97	9	88	0	0
Disposals	0	0	0	0	0
At 31 May 2016	1,380	193	1,181	6	0
Net book values					
At 31 May 2016	259	44	214	0	1
At 31 May 2015	253	46	207	0	0
LLP					
Cost					
At 1 June 2015	1,449	197	1,246	6	0
Additions	91	7	84	0	0
Disposals	0	0	0	0	0
At 31 May 2016	1,540	204	1,330	6	0
Depreciation					
At 1 June 2015	1,204	155	1,043	6	0
Additions	92	8	84	0	0
Disposals	0	0	0	0	0
At 31 May 2016	1,296	163	1,127	6	0
Net book values					
At 31 May 2016	244	41	203	0	0
At 31 May 2015	245	42	203	0	0

Neither the group nor the LLP had any assets under hire purchase agreements.

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

7. INVESTMENTS

LLP	Total £'000	Subsidiary Undertaking £'000
Cost and net book amounts At 31 May 2016	194	74
At 31 May 2015	181	61

The LLP has investment in the following subsidiary undertakings:

Critchleys Financial Planning LLP	England	72%
Critchleys HR and Payroll LLP	England	73%
Landtax LLP	England	100%

8. DEBTORS

	Group 2016 £'000	Group 2015 £'000	LLP 2016 £'000	LLP 2015 £'000
Client debtors	1,880	1,748	1,299	1,251
Amounts due from subsidiary undertakings			296	185
Prepayments and accrued income	1,134	1,005	946	837
Other debtors	6	0	5	0
	3,020	2,753	2,546	2,273

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

9. CREDITORS: Amounts falling due within one year

	Group 2016 £'000	Group 2015 £'000	LLP 2016 £'000	LLP 2015 £'000
Bank loans (unsecured)	100	100	100	100
Bank overdrafts	357	360	277	271
Trade creditors	260	214	221	189
Amounts due to subsidiary undertakings			0	0
Social security and other taxes	365	334	356	334
Accruals and deferred income	455	464	296	257
Other creditors	226	115	226	115
Amounts due to members of subsidiaries	179	170		
	<u>1,942</u>	<u>1,757</u>	<u>1,476</u>	<u>1,266</u>

Barclays Bank plc holds a debenture over the assets of Critchleys LLP in respect of the bank overdrafts.

The bank loan is repayable upon demand.

10. CREDITORS: Amounts falling due after more than one year

	Group 2016 £'000	Group 2015 £'000	LLP 2016 £'000	LLP 2015 £'000
Other creditors	150	0	150	0
	<u>150</u>	<u>0</u>	<u>150</u>	<u>0</u>

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

11. PROVISIONS FOR LIABILITIES

Group	Total £'000	FRS102 Provision £'000
At 1 June 2015	166	166
Provisions transferred	(166)	(166)
New provisions	0	0
Paid	0	0
At 31 May 2016	<u>0</u>	<u>0</u>
LLP		
At 1 June 2015	166	166
Provisions transferred	(166)	(166)
New provisions	0	0
Paid	0	0
At 31 May 2016	<u>0</u>	<u>0</u>

Provisions relate to dilapidations and are calculated in accordance with the accounting policy.

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

12. TOTAL MEMBERS' INTERESTS

Group	Members' capital (due after one year) £'000	Loans and other debts due to/(from) members £'000	Total £'000	Other reserves £'000	Total £'000
At 1 June 2015 restated	720	(422)	298	925	1,223
Retired members' balances transferred to creditors	(40)	(137)	(177)		(177)
New capital introduced	350		350		350
Prior year profits now allocated to members		925	925	(925)	0
Members remuneration charged as an expense		1,897	1,897		1,897
Profit for the financial year available for discretionary division among members			0	1,033	1,033
Drawings		(2,548)	(2,548)		(2,548)
Repayments of capital	(120)		(120)		(120)
At 31 May 2016	910	(285)	625	1,033	1,658
Included in debtors		0			0
Members' funds		(285)			1,658
LLP					
At 1 June 2015 restated	720	(422)	298	925	1,223
Retired members' balances transferred to creditors	(40)	(137)	(177)		(177)
New capital introduced	350		350		350
Prior year profits now allocated to members		925	925	(925)	0
Members remuneration charged as an expense		1,897	1,897		1,897
Profit for the financial year available for discretionary division among members			0	1,033	1,033
Drawings		(2,548)	(2,548)		(2,548)
Repayments of capital	(120)		(120)		(120)
At 31 May 2016	910	(285)	625	1,033	1,658
Included in debtors					0
Members' funds		(285)			1,658

Loans and other amounts due to members may be set-off against amounts due from members included in debtors of £NIL (2015: £ NIL) but would otherwise rank as unsecured creditors.

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2015 (continued)

13. MINORITY INTEREST

	Group 2016 £'000	Group 2015 £'000
At 1 June	93	104
Share of profit for the year	176	176
Payments made	(184)	(187)
At 31 May	85	93

14. CONTINGENT LIABILITIES

Neither the group nor the LLP had any contingent liabilities as at 31 May 2016 or 31 May 2015

15. LEASING COMMITMENTS

The annual commitments in respect of operating leases were as follows:

	Land and buildings 2016 £'000	2015 £'000
Leases expiring:		
Between 1 and 5 years	268	267
Over 5 years		
	268	267

16. ANALYSIS OF CHANGES IN NET FUNDS

	1 Jun 15 £'000	Cash flow £'000	31 May 16 £'000
Cash at bank and in hand	195	61	256
Bank overdrafts	(360)	3	(357)
Bank loans	(100)	0	(100)
	(265)	64	(201)

17. RELATED PARTY INFORMATION

During the course of the year Critchleys LLP supplied services to Critchleys Financial Planning LLP, Critchleys HR & Payroll LLP and Landtax LLP amounting to £ 237,822 (2015 £ 216,495)

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

18. RECONCILIATION OF TRANSITION

	Note	At 31 May 2015		
		Previously stated £'000	Effect of transition £'000	FRS102 restated £'000
FIXED ASSETS				
Intangible assets		38		38
Tangible assets		253		253
Investments		0		0
		<u>291</u>		<u>291</u>
CURRENT ASSETS				
Debtors		2,753		2,753
Cash at bank and in hand		195		195
		<u>2,948</u>		<u>2,948</u>
CREDITORS: Amounts falling due within one year	i)	<u>(1,713)</u>	<u>(44)</u>	<u>(1,757)</u>
NET CURRENT ASSETS		<u>1,235</u>	<u>(44)</u>	<u>1,191</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,526	(44)	1,482
CREDITORS: Amounts falling due after more than one year		0		0
PROVISIONS FOR LIABILITIES		(166)		(166)
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>1,360</u>	<u>(44)</u>	<u>1,316</u>
REPRESENTED BY:				
LOANS AND OTHER DEBTS DUE TO MEMBERS				
Members' capital classified as a liability (due in more than one year)		720		720
Other amounts (due within one year)		<u>(422)</u>		<u>(422)</u>
		298	0	298
MEMBERS' OTHER INTERESTS				
Other reserves		969	(44)	925
Minority interest		93		93
		<u>1,360</u>	<u>(44)</u>	<u>1,316</u>
TOTAL MEMBERS' INTERESTS		1,267	(44)	1,223

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2016 (continued)

	Previously stated £'000	At 31 May 2015 Effect of transition £'000	FRS102 restated £'000
Gross income	8,491		8,491
Disbursements	(152)		(152)
Net income	8,339		8,339
Direct costs	i) (4,300)	(44)	(4,344)
Gross profit	4,039	(44)	3,995
Overheads	(1,508)		(1,508)
Other operating income	7		7
Operating profit	2,538	(44)	2,494
Bank interest receivable	0		0
Interest payable	(6)		(6)
Profit on ordinary activities	2,532	(44)	2,488
Minority interest	(176)		(176)
Profit for the year before members' remuneration and profit shares	2,356	(44)	2,312
Members' remuneration charged as an expense	(1,387)		(1,387)
Profit for the financial year available for discretionary division among members	969	(44)	925

Notes to the reconciliations

- i) Prior to applying FRS 102 Critchleys LLP did not make a provision for holiday pay (ie holiday earned but not taken prior to the year-end). FRS 102 requires the cost of short-term compensated absences to be recognised when employees render the service that increases their entitlement. Consequently an additional accrual of £43,797 at 31 May 2015 has been made to reflect this.