

# Critchleys LLP

(LLP no OC354137)

## Consolidated Financial Statements

For the year ended

31 May 2020



# CRITCHLEYS LLP

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# **CRITCHLEYS LLP**

## **Members and Professional Advisers**

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Designated members	Robert Kirtland Ltd Gavin Little Ltd Jason McGuigan Ltd Mark Rusher Ltd	Retired 5 March 2020
Members	Nick Ashley Lawrence King Andrew Rodzynski Ian Timms Critchleys Annuitants	Appointed 1 June 2020
Registered Office	Beaver House 23-38 Hythe Bridge Street Oxford OX1 2EP	
Bankers	Barclays Bank plc Minns Business Park 3 West Way Oxford OX2 0SZ	

# **CRITCHLEYS LLP**

## **Members' Report**

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The members present their annual report and group financial statements for the year ended 31 May 2020.

### **PRINCIPAL ACTIVITIES**

The group's principal activities are: accountants, auditors, taxation advisors, corporate finance, payroll and HR advisors, business recovery specialists and management accounting.

### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The Members are pleased with the outcome for the year which was impacted by the Covid pandemic from February 2020. During March all staff moved to home working and clients have continued to be serviced without interruption.

The consolidated income fell slightly from £7.9m to 7.8m, mainly due to a fall within our Landtax LLP business following the retirement of members. Group profit fell from £2,075,000 to £1,859,000 but the average profits per member rose from £183,000 to £195,000.

The LLP has taken advantage of the furlough scheme for a limited number of staff and decided to take out a CBILS loan of £250,000 from Barclays Bank to bolster cash reserves. As a result the cash position increased by £967,000 over the year, this also includes a deferred VAT payment of £306,000.

Our joint venture corporate finance business Kinetix Critchleys Corporate Finance LLP had a very successful year with income of £884,000. This positive position has continued in to 2020/21.

From 1 June 2020 the business of Critchleys HR & Payroll LLP was transferred to the parent Critchleys LLP.

The Members remain focused on our future strategy for growth and will continue to build on our strengths, which include

- commitment to putting our clients at the heart of what we do
- providing a highly personalised service
- developing our people
- investing in technology

We will also ensure that risks are mitigated by planning, management control and insurance cover.

# **CRITCHLEYS LLP**

## **Members' Report (continued)**

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### **PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP**

The business is exposed to a number of risks as is any such firm, principal managed risks include:

- Continued Covid 19 risks to us and our clients
- Retention of quality staff and offering a positive and rewarding work environment
- Retention of clients by providing high quality, personalised services delivered by real experts
- Quality control of work by the use of robust procedures and processes that incorporate the best use of IT

Our risk management focus will continue to lead us to invest in three key areas, namely developing our people, ensuring that we deliver our services in a more integrated way across the Critchleys group and continuing to invest in technology.

### **KEY PERFORMANCE INDICATORS**

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

The LLP closely manages its cash resources to stay well within available facilities, monitoring the projected position forecast at least 12 months in to the future.

# CRITCHLEYS LLP

## Members' Report (continued)

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### 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.

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

On behalf of the members



R Kirtland (On behalf of Robert Kirtland Ltd)

19/2/2021

# **CRITCHLEYS LLP**

## **Accounting Policies for the year ended 31 May 2020**

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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 2017.

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 its subsidiary undertakings, Critchleys HR and Payroll LLP, Critchleys Audit LLP, landtax LLP and its associated undertaking Kinetix Critchleys Corporate Finance LLP drawn up to 31 May each year.

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 £1,067,000 (2019: £1,074,000)

### **(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 2020

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### (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	10% per annum of cost
Goodwill – purchased from 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:

Leasehold improvements	Over period of lease
Fixtures and fittings	10% per annum of cost
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 any 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 2020 (continued)**

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### **(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 in the period.

### **(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.

### **(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.

## **CRITCHLEYS LLP**

### **Accounting Policies for the year ended 31 May 2020 (continued)**

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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. The repayment of capital to retiring members is made over a period of 24 months, with amounts reclassified as amounts due to retired members.

The firm's drawings policy is determined by the designated members.

## CRITCHLEYS LLP

### Consolidated Income Statement for the year ended 31 May 2020

	Note	2020 £'000	2019 £'000
Gross income	1	7,770	7,939
Disbursements		(189)	(168)
<b>Net income</b>		<b>7,581</b>	<b>7,771</b>
Direct costs	1	(3,816)	(3,856)
<b>Gross profit</b>		<b>3,765</b>	<b>3,915</b>
Overheads		(1,939)	(1,822)
Other operating income		33	22
<b>Operating profit</b>	1	<b>1,859</b>	<b>2,115</b>
Bank interest receivable		0	0
Interest payable	2	(28)	(40)
<b>Profit on ordinary activities</b>		<b>1,831</b>	<b>2,075</b>
Minority interests	13	(268)	(431)
<b>Profit for the year before members' remuneration and profit shares</b>		<b>1,563</b>	<b>1,644</b>
Members' remuneration charged as an expense		(1,301)	(1,377)
<b>Profit for the financial year available for discretionary division among members</b>	12	<b>262</b>	<b>267</b>

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 2020

	Note	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
<b>FIXED ASSETS</b>					
Intangible assets	5	2,089	1,413	1,967	1,277
Tangible assets	6	374	456	370	449
Investments	7	0	0	125	125
		<u>2,463</u>	<u>1,869</u>	<u>2,462</u>	<u>1,851</u>
<b>CURRENT ASSETS</b>					
Debtors	8	2,507	3,280	2,102	2,812
Cash at bank and in hand		118	0	81	0
		<u>2,625</u>	<u>3,280</u>	<u>2,183</u>	<u>2,812</u>
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>(2,164)</u>	<u>(3,082)</u>	<u>(1,821)</u>	<u>(2,664)</u>
<b>NET CURRENT ASSETS</b>		<u>461</u>	<u>198</u>	<u>362</u>	<u>148</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>2,924</u>	<u>2,067</u>	<u>2,824</u>	<u>1,999</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	10	<u>(1,402)</u>	<u>(593)</u>	<u>(1,302)</u>	<u>(525)</u>
<b>PROVISIONS FOR LIABILITIES</b>	11	<u>(30)</u>	<u>(20)</u>	<u>(30)</u>	<u>(20)</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>1,492</u>	<u>1,454</u>	<u>1,492</u>	<u>1,454</u>
<b>REPRESENTED BY:</b>					
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>					
Members' capital classified as a liability (due in more than one year)	12	408	508	408	508
Other amounts (due within one year)	12	822	678	822	678
		<u>1,230</u>	<u>1,186</u>	<u>1,230</u>	<u>1,186</u>
<b>MEMBERS' OTHER INTERESTS</b>					
Other reserves	12	262	268	262	268
Minority interest	13	0	0	0	0
		<u>1,492</u>	<u>1,454</u>	<u>1,492</u>	<u>1,454</u>
<b>TOTAL MEMBERS' INTERESTS</b>	12	<u>1,492</u>	<u>1,454</u>	<u>1,492</u>	<u>1,454</u>

For the year ending 31 May 2020 the Limited Liability Partnership was entitled to exemption from audit under section 477 of Companies Act 2006 as applied by Limited Liability Partnerships, relating to small LLPs. The members acknowledge their responsibility for complying with the requirements of the Companies Act 2006 (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The financial statements were approved by the Members and authorised for issue on 19/2/2021

  
J McGuigan  
(On behalf of Jason McGuigan 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 2020

	Note	2020 £'000	2020 £'000	2019 £'000	2019 £'000
<b>Cash inflow from operating activities</b>					
Profit for financial year		1,831		2,075	
Adjustments for:					
Depreciation		84		116	
Amortisation		204		175	
Provisions for liabilities		10		10	
Profit on disposal of property, plant and equipment		0		0	
Interest paid		28		40	
Decrease/(increase) in trade and other receivables		746		(117)	
Increase/(Decrease) in trade payables		268		(61)	
Increase/(Decrease) in other creditors		474		(17)	
Cash from operations		3,645		2,221	
Interest paid		(28)		(40)	
Income taxes paid					
<i>Net cash generated from operating activities</i>			3,617		2,181
<b>Cash flows from investing activities</b>					
Proceeds from sale of equipment/intangibles		80		0	
Purchase of property, plant and equipment		(2)		(24)	
Purchase of intangible assets		(870)		(136)	
Interest received		0		0	
<i>Net cash generated from investing activities</i>			(792)		(160)
<b>Cash flows from financing activities</b>					
Capital introduced		0		33	
Capital repaid		0		0	
Payments to members	12	(1,420)		(1,066)	
Payments made to minority interests	13	(268)		(431)	
Payments to retired members		(338)		(520)	
New loans/repayment of borrowings		168		(79)	
<i>Net cash used in financing activities</i>			(1,858)		(2,063)
Net increase/(decrease) in cash and cash equivalents	16		967		(42)
Adjustment for non-cash transactions for subsidiary removal			0		0
Cash and cash equivalents at beginning of year			(896)		(854)
Cash and cash equivalents at end of year	16		71		(896)

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 2020

Group	Members' capital classified as equity	Members' other interest	Total
<b>At 1 June 2018</b>	<b>505</b>	<b>400</b>	<b>905</b>
Profit for the financial year available for discretionary division among members	0	268	268
Other comprehensive income	0	0	0
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>268</b>	<b>268</b>
Capital introduced	33	0	33
Retiring members reclassified	(30)	(33)	(63)
Division of profits		311	311
<b>At 1 June 2019</b>	<b>508</b>	<b>946</b>	<b>1,454</b>
Profit for the financial year available for discretionary division among members	0	262	262
Other comprehensive income	0	0	0
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>262</b>	<b>262</b>
Capital introduced	0	0	0
Retiring members reclassified	(100)	(6)	(106)
Division of profits	0	(118)	(118)
<b>At 31 May 2020</b>	<b>408</b>	<b>1,084</b>	<b>1,492</b>

LLP	Members' capital classified as equity	Members' other interest	Total
<b>At 1 June 2018</b>	<b>505</b>	<b>400</b>	<b>905</b>
Profit for the financial year available for discretionary division among members	0	268	268
Other comprehensive income	0	0	0
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>268</b>	<b>268</b>
Capital introduced	33		33
Retiring members reclassified	(30)	(33)	(63)
Division of profits		311	311
<b>At 1 June 2019</b>	<b>508</b>	<b>946</b>	<b>1,454</b>
Profit for the financial year available for discretionary division among members	0	262	262
Other comprehensive income	0	0	0
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>262</b>	<b>262</b>
Capital introduced	0	0	0
Retiring members reclassified	(100)	(6)	(106)
Division of profits		(118)	(118)
<b>At 31 May 2020</b>	<b>408</b>	<b>1,084</b>	<b>1,492</b>

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 2020

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### 1. GROSS INCOME AND OPERATING PROFIT

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

	2020 £'000	2019 £'000
Operating profit is stated after charging		
Depreciation – owned assets	84	116
Amortisation	204	175
Profit attributable to non-designated members of subsidiaries	268	431

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	2020 £'000	2019 £'000
Gross income		
Critchleys LLP	4,298	4,394
Critchleys Audit LLP	1,946	1,966
Critchleys HR and Payroll LLP	565	613
Landtax LLP	641	851

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### 2. INTEREST PAYABLE

	2020 £'000	2019 £'000
On bank loans and overdrafts repayable within 5 years	28	40

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# CRITCHLEYS LLP

## Notes to the Financial Statements for the year ended 31 May 2020 (continued)

### 3. STAFF COSTS

	2020 £'000	2019 £'000
Staff costs during the year were:		
Wages and salaries	3,246	3,286
Social security costs	325	325
Other pension costs	124	131
	<u>3,695</u>	<u>3,742</u>
	2020 Number	2019 Number
Average number of employees		
Client service staff	83	87
Support staff	19	19
	<u>102</u>	<u>106</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 £ 24,808 (2019: £ 23,837 )

### 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.

	2020 £'000	2019 £'000
Average allocated profit per member	<u>195</u>	<u>183</u>
The share of allocated profits which is allocated to the member with the largest entitlement to profit was Critchleys Annuitants	<u>389</u>	<u>389</u>
	2020 Number	2019 Number
Average number of members	<u>8</u>	<u>8</u>



# CRITCHLEYS LLP

## Notes to the Financial Statements for the year ended 31 May 2020 (continued)

### 5. INTANGIBLE FIXED ASSETS

<b>Group only</b>	<b>Goodwill £'000</b>
<b>Cost</b>	
At 1 June 2019	1,766
Additions	870
Disposals	10
<b>At 31 May 2020</b>	<b>2,646</b>
<b>Amortisation</b>	
At 1 June 2019	353
Charge for year	204
Disposals	0
<b>At 31 May 2020</b>	<b>557</b>
<b>Net book values</b>	
<b>At 31 May 2020</b>	<b>2,089</b>
At 31 May 2019	1,413
<b>LLP</b>	<b>Goodwill £'000</b>
<b>Cost</b>	
At 1 June 2019	1,630
Additions	870
Disposals	10
<b>At 31 May 2020</b>	<b>2,510</b>
<b>Amortisation</b>	
At 1 June 2019	353
Charge for year	190
Disposals	0
<b>At 31 May 2020</b>	<b>543</b>
<b>Net book values</b>	
<b>At 31 May 2020</b>	<b>1,967</b>
At 31 May 2019	1,277

# CRITCHLEYS LLP

## Notes to the Financial Statements for the year ended 31 May 2020 (continued)

### 6. PROPERTY, PLANT AND EQUIPMENT

Group	Total £'000	Furniture and Fittings £'000	Computer Equipment £'000	Bicycles £'000	Leasehold Improvements £'000	Plant and Machinery £'000
<b>Cost</b>						
At 1 June 2019	1,987	46	1,437	9	494	1
Additions	2	0	2	0	0	0
Disposals	(9)	0	0	(9)	0	0
<b>At 31 May 2020</b>	<b>1,980</b>	<b>46</b>	<b>1,439</b>	<b>0</b>	<b>494</b>	<b>1</b>
<b>Depreciation</b>						
At 1 June 2019	1,531	41	1,379	9	101	1
Charge for year	84	1	32	0	51	0
Disposals	(9)	0	0	(9)	0	0
<b>At 31 May 2020</b>	<b>1,606</b>	<b>42</b>	<b>1,411</b>	<b>0</b>	<b>152</b>	<b>1</b>
<b>Net book values</b>						
<b>At 31 May 2020</b>	<b>374</b>	<b>4</b>	<b>28</b>	<b>0</b>	<b>342</b>	<b>0</b>
At 31 May 2019	456	5	58	0	393	0
<b>LLP</b>						
<b>Cost</b>						
At 1 June 2019	1,911	15	1,393	9	494	0
Additions	2	0	2	0	0	0
Disposals	(18)	0	0	(9)	0	0
<b>At 31 May 2020</b>	<b>1,895</b>	<b>15</b>	<b>1,395</b>	<b>0</b>	<b>494</b>	<b>(9)</b>
<b>Depreciation</b>						
At 1 June 2019	1,462	10	1,343	9	100	0
Charge for year	81	1	29	0	51	0
Disposals	(18)	0	0	(9)	0	(9)
<b>At 31 May 2020</b>	<b>1,525</b>	<b>11</b>	<b>1,372</b>	<b>0</b>	<b>151</b>	<b>(9)</b>
<b>Net book values</b>						
<b>At 31 May 2020</b>	<b>370</b>	<b>4</b>	<b>23</b>	<b>0</b>	<b>343</b>	<b>0</b>
At 31 May 2019	449	5	50	0	394	0

# CRITCHLEYS LLP

## Notes to the Financial Statements for the year ended 31 May 2020 (continued)

### 7. INVESTMENTS

LLP	Total £'000	Subsidiary Undertaking £'000
Cost and net book amounts		
At 31 May 2020	125	0
At 31 May 2019	125	0

The LLP has investment in the following subsidiary undertakings:

Critchleys HR and Payroll LLP	England	100%
Critchleys Audit LLP	England	33.3%
Kinetix Critchleys Corporate Finance LLP	England	33.3%
Landtax LLP	England	100%

### 8. DEBTORS

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Client debtors	1,294	1,710	714	977
Amounts due from subsidiary undertakings	0	0	403	602
Prepayments and accrued income	1,100	1,094	904	897
Other debtors	113	476	81	336
	<u>2,507</u>	<u>3,280</u>	<u>2,102</u>	<u>2,812</u>

# CRITCHLEYS LLP

## Notes to the Financial Statements for the year ended 31 May 2020 (continued)

### 9. CREDITORS: Amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Bank loans (secured)	119	147	219	147
Bank overdrafts	47	896	0	851
Trade creditors	309	340	289	322
Amounts due to subsidiary undertakings	0	0	0	0
Social security and other taxes	599	300	598	301
Accruals and deferred income	393	351	236	255
Other creditors	623	858	479	788
Amounts due to members of subsidiaries	74	190	0	0
	<u>2,164</u>	<u>3,082</u>	<u>1,821</u>	<u>2,664</u>

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

The bank loan is repayable by instalments over 5 years, the interest rate is variable.

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

	Group 2020 £'000	Group 2019 £'000	LLP 2020 £'000	LLP 2019 £'000
Bank loans (secured)	385	189	285	189
Other creditors	732	68	732	0
Accruals	285	0	285	0
	<u>1,402</u>	<u>593</u>	<u>1,302</u>	<u>525</u>

## CRITCHLEYS LLP

### Notes to the Financial Statements for the year ended 31 May 2020 (continued)

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#### 11. PROVISIONS FOR LIABILITIES

Group	Total £'000	FRS102 Provision £'000
At 1 June 2019	20	20
Provisions transferred	0	0
New provisions	10	10
Paid	0	0
<b>At 31 May 2020</b>	<b>30</b>	<b>30</b>
<b>LLP</b>		
At 1 June 2019	20	20
Provisions transferred	0	0
New provisions	10	10
Paid	0	0
<b>At 31 May 2020</b>	<b>30</b>	<b>30</b>

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 2020 (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 2019 restated	508	678	1,186	268	1,454
Retired members' balances transferred to creditors	(100)	(6)	(106)	0	(106)
New capital introduced	0	0	0	0	0
Prior year profits now allocated to members	0	268	268	(268)	0
Members remuneration charged as an expense	0	1,302	1,302	0	1,302
Profit for the financial year available for discretionary division among members	0	0	0	262	262
Drawings		(1,420)	(1,420)		(1,420)
Repayments of capital	0	0	0	0	0
<b>At 31 May 2020</b>	<b>408</b>	<b>822</b>	<b>1,230</b>	<b>262</b>	<b>1,492</b>
Included in debtors		0			0
Members' funds		822			1,492
<b>LLP</b>					
At 1 June 2019 restated	508	678	1,186	268	1,454
Retired members' balances transferred to creditors	(100)	(6)	(106)	0	(106)
New capital introduced	0	0	0	0	0
Prior year profits now allocated to members	0	268	268	(268)	0
Members remuneration charged as an expense	0	1,302	1,302	0	1,302
Profit for the financial year available for discretionary division among members	0	0	0	262	262
Drawings		(1,420)	(1,420)	0	(1,420)
Repayments of capital	0	0	0	0	0
<b>At 31 May 2020</b>	<b>408</b>	<b>822</b>	<b>1,230</b>	<b>262</b>	<b>1,492</b>
Included in debtors					0
Members' funds		822			1,492

Loans and other amounts due to members may be set-off against amounts due from members included in debtors of £NIL (2019: £ NIL) but would otherwise rank as unsecured creditors.

## CRITCHLEYS LLP

### Notes to the Financial Statements for the year ended 31 May 2020 (continued)

#### 13. MINORITY INTEREST

	Group 2020 £'000	Group 2019 £'000
At 1 June	0	0
Share of profit for the year	268	431
Payments made	(268)	(431)
At 31 May	<u>0</u>	<u>0</u>

#### 14. CONTINGENT LIABILITIES

Neither the group nor the LLP had any contingent liabilities as at 31 May 2020 or 31 May 2019

#### 15. LEASING COMMITMENTS

The total commitments in respect of operating leases for land and buildings were £ 1,707,000 (2019: £1,991,000).

#### 16. ANALYSIS OF CHANGES IN NET FUNDS

	1 Jun 19 £'000	Cash flow £'000	31 May 20 £'000
Cash at bank and in hand	0	118	118
Bank overdrafts	(896)	849	(47)
	<u>(896)</u>	<u>967</u>	<u>71</u>

#### 17. TRANSACTIONS WITH RELATED PARTIES

Within Critchleys Financial Planning LLP there are members that have significant control whom are also nominees of members within Critchleys LLP.

Critchleys LLP provided services to Critchleys Financial Planning LLP of £154,496 (2019: £297,000). At the year-end Critchleys Financial Planning owed Critchleys LLP £48,446 (2019: £215,542).

Critchleys LLP provided services to Kinetix Critchleys Corporate Finance LLP of £31,500 (2019: £31,500) Kinetix Critchleys Corporate Finance owed Critchleys LLP £28,715 at the year-end (2019: £136,278).

## **CRITCHLEYS LLP**

### **Notes to the Financial Statements for the year ended 31 May 2020 (continued)**

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Critchleys LLP provided services to landtax LLP of £3,375 (2019: £686). Critchleys LLP owed landtax LLP £120,605 at the year-end (2019: £24,389)

Critchleys LLP provided services to Critchleys Audit LLP of £403,000 (2019: £420,500). Critchleys Audit LLP owed Critchleys LLP £344,780 at the year-end (2019: £383,237).

Critchleys LLP provided services to Critchleys HR & Payroll LLP of £166,004 (2019: £52,365). Critchleys HR & Payroll provided services to Critchleys LLP of £4,910 in respect of payroll bureau services. Critchleys HR & Payroll LLP owed Critchleys LLP £150,522 at the year-end (2019: £74,402).