

Critchleys LLP

(LLP no OC354137)

Consolidated Financial Statements

For the year ended

31 May 2017

TUESDAY



A71MOG4X

A09

13/03/2018

#119

COMPANIES HOUSE

CRITCHLEYS LLP

CONTENTS

Members and Professional Advisers	1
Members' Report	2
Accounting Policies	4
Consolidated Income Statement.....	8
Statements of Financial Position	9
Consolidated Statement of Cash Flows.....	10
Consolidated Statement of Changes in Equity	11
Notes to the Financial Statements.....	12

CRITCHLEYS LLP

Members and Professional Advisers

Designated members

Robert Kirtland Ltd
Gavin Little Ltd
Jason McGuigan Ltd
Mark Rusher Ltd

Members during the year

Katherine Bruce
Anthony Harris (resigned 31 May 2017)
Gerry Jackson (resigned 31 May 2017)
Peter Kemp (resigned 31 May 2017)
Lawrence King
Kathryn Pocock (resigned 31 March 2017)
Andrew Rodzynski
Caroline Webster (resigned 31 May 2017)
Matthew Williams
Martin Wright
Critchleys Annuitants

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

The members present their annual report and group financial statements for the year ended 31 May 2017.

PRINCIPAL ACTIVITIES

The group's principal activities are: accountants, auditors, taxation advisors, Payroll and HR advisors, Business Recovery Specialists, management accountants and outsourced financial services.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

This has been a year of significant change for the group. Following a management buyout at the start of the year a number of members retired as planned during the year. The year was one of consolidation financially with income comparable to 2016. Following changes to the ownership structure on 1 June 2016 Critchleys Financial Planning LLP became a separate business under the ownership of individual members connected to Critchleys LLP. As a result its income and expenditure and balance sheet are no longer consolidated in to the Critchleys LLP accounts, although it remains very much part of the Critchleys family of businesses with its common ownership.

The members are pleased with the results for the year which are in accordance with the plans set out in 2016. We look forward to the future with much confidence following our move to new offices at Beaver House, Hythe Bridge Street, Oxford, in June 2017 and the rebranding of the firm at the same time. The rebrand has been received very positively and reflects the heritage of the firm as well as its commitment to supporting its clients in all aspects of their financial affairs.

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:

- Retention of quality staff by remaining a positive and rewarding place to work
- Retention of clients by providing high quality services delivered by real experts
- Quality control of work by the use of robust procedures and processes that incorporate the best use of IT

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

27/2/2018

CRITCHLEYS LLP

Accounting Policies for the year ended 31 May 2017

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 Probate LLP and landtax 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 £275,000 (2016: £1,033,000)

(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 2017

(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	20% 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 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 2017 (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 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 2017 (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. 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 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.

CRITCHLEYS LLP

Consolidated Income Statement for the year ended 31 May 2017

	Note	2017 £'000	2016 £'000
Gross income	1	7,870	9,204
Disbursements		(135)	(219)
Net income		7,735	8,985
Direct costs	1	(3,832)	(4,298)
Gross profit		3,903	4,687
Overheads		(1,693)	(1,616)
Other operating income		28	39
Operating profit	1	2,238	3,110
Bank interest receivable		0	0
Interest payable	2	(12)	(4)
Profit on ordinary activities		2,226	3,106
Minority interest	13	0	(176)
Profit for the year before members' remuneration and profit shares		2,226	2,930
Members' remuneration charged as an expense		(1,951)	(1,897)
Profit for the financial year available for discretionary division among members	12	275	1,033

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 2017

	Note	Group 2017 £'000	Group 2016 £'000	LLP 2017 £'000	LLP 2016 £'000
FIXED ASSETS					
Intangible assets	5	240	300	240	300
Tangible assets	6	503	259	494	244
Investments	7	0	0	120	194
		<u>743</u>	<u>559</u>	<u>854</u>	<u>738</u>
CURRENT ASSETS					
Debtors	8	2,837	3,020	2,372	2,546
Cash at bank and in hand		0	256		
		<u>2,837</u>	<u>3,276</u>	<u>2,372</u>	<u>2,546</u>
CREDITORS: Amounts falling due within one year	9	<u>(2,228)</u>	<u>(1,942)</u>	<u>(1,874)</u>	<u>(1,476)</u>
NET CURRENT ASSETS		<u>609</u>	<u>1,334</u>	<u>498</u>	<u>1,070</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,352	1,893	1,352	1,808
CREDITORS: Amounts falling due after more than one year	10	(316)	(150)	(316)	(150)
PROVISIONS FOR LIABILITIES	11	0	0	0	0
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>1,036</u>	<u>1,743</u>	<u>1,036</u>	<u>1,658</u>
REPRESENTED BY:					
LOANS AND OTHER DEBTS DUE TO MEMBERS					
Members' capital classified as a liability (due in more than one year)	12	600	910	600	910
Other amounts (due within one year)	12	161	(285)	161	(285)
		<u>761</u>	<u>625</u>	<u>761</u>	<u>625</u>
MEMBERS' OTHER INTERESTS					
Other reserves	12	275	1,033	275	1,033
Minority interest	13	0	85		
		<u>1,036</u>	<u>1,743</u>	<u>1,036</u>	<u>1,658</u>
TOTAL MEMBERS' INTERESTS	12	<u>1,036</u>	<u>1,658</u>	<u>1,036</u>	<u>1,658</u>

For the year ending 31 May 2017 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 27/2/2018


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 2017

	Note	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Cash inflow from operating activities					
Profit for financial year		2,226		3,106	
Adjustments for:					
Depreciation		138		97	
Amortisation		60		38	
Provisions for liabilities		0		(166)	
Profit on disposal of property, plant and equipment					
Interest paid		12		4	
Interest received					
Taxation					
Decrease/(increase) in trade and other receivables		55		(267)	
Decrease/(increase) in inventories					
Increase/(Decrease) in trade payables		(240)		161	
Cash from operations		2,251		2,973	
Interest paid		(12)		(4)	
Income taxes paid					
<i>Net cash generated from operating activities</i>			2,239		2,969
Cash flows from investing activities					
Proceeds from sale of equipment		0		0	
Purchase of property, plant and equipment		(382)		(103)	
Purchase of intangible assets		0		(300)	
Interest received		0		0	
<i>Net cash generated from investing activities</i>			(382)		(403)
Cash flows from financing activities					
Capital introduced		30		350	
Capital repaid		(141)		(120)	
Payments to members	12	(2,365)		(2,548)	
Payments made to minority interests	13	(85)		(184)	
Payments to retired members		(150)			
Repayment of borrowings		392		0	
<i>Net cash used in financing activities</i>			(2,319)		(2,502)
Net increase/(decrease) in cash and cash equivalents	16		(462)		64
Adjustment for non-cash transactions for subsidiary removal			249		
Cash and cash equivalents at beginning of year			(201)		(265)
Cash and cash equivalents at end of year	16		(414)		(201)

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 2017

Group	Members' capital classified as equity	Members' other interest	Total
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
Division of profits		(651)	(651)
At 1 June 2016	910	748	1,658
Profit for the financial year available for discretionary division among members		275	275
Other comprehensive income			0
Total comprehensive income for the year	0	275	275
Capital introduced	(111)		(111)
Retiring members reclassified	(199)	(172)	(371)
Division of profits		(415)	(415)
At 31 May 2017	600	436	1,036

LLP	Members' capital classified as equity	Members' other interest	Total
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
Division of profits		(651)	(651)
At 1 June 2016	910	748	1,658
Profit for the financial year available for discretionary division among members		275	275
Other comprehensive income			0
Total comprehensive income for the year	0	275	275
Capital introduced	(111)		(111)
Retiring members reclassified	(199)	(172)	(371)
Division of profits		(415)	(415)
At 31 May 2017	600	436	1,036

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 2017

1. GROSS INCOME AND OPERATING PROFIT

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

	2017 £'000	2016 £'000
Operating profit is stated after charging		
Depreciation – owned assets	138	97
Amortisation	60	38
Auditors' remuneration	0	11
Profit attributable to non-designated members of subsidiaries	388	388

	2017 £'000	2016 £'000
Gross income		
Critchleys LLP	6,502	7,036
Critchleys HR and Payroll LLP	576	480
Landtax LLP	792	789
Critchleys Financial Planning LLP		899

2. INTEREST PAYABLE

	2017 £'000	2016 £'000
On bank loans and overdrafts repayable within 5 years	12	4

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2017 (continued)

3. STAFF COSTS

	2017 £'000	2016 £'000
Staff costs during the year were:		
Wages and salaries	3,184	3,291
Social security costs	311	335
Other pension costs	122	119
	<u>3,617</u>	<u>3,745</u>
	2017 Number	2016 Number
Average number of employees		
Client service staff	89	93
Support staff	16	15
	<u>105</u>	<u>108</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 £ 19,722 (2016: £ 20,294)

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.

	2017 £'000	2016 £'000
Average allocated profit per member	<u>148</u>	<u>170</u>
The share of allocated profits which is allocated to the member with the largest entitlement to profit was Critchleys Annuitants	<u>301</u>	<u>294</u>
	2017 Number	2016 Number
Average number of members	<u>11</u>	<u>15</u>

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2017 (continued)

5. INTANGIBLE FIXED ASSETS

Group only	Goodwill £'000
Cost	
At 1 June 2016	493
Additions	0
Disposals	0
At 31 May 2017	493
Amortisation	
At 1 June 2016	193
Additions	60
Disposals	0
At 31 May 2017	253
Net book values	
At 31 May 2017	240
At 31 May 2016	300
LLP	Goodwill £'000
Cost	
At 1 June 2016	300
Additions	0
Disposals	0
At 31 May 2017	300
Amortisation	
At 1 June 2016	0
Additions	60
Disposals	0
At 31 May 2017	60
Net book values	
At 31 May 2017	240
At 31 May 2016	300

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2017 (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
Cost						
At 1 June 2016	1,639	237	1,395	6	0	1
Additions	382	2	39	3	338	0
Disposals	(240)	(198)	(42)	0	0	0
At 31 May 2017	1,781	41	1,392	9	338	1
Depreciation						
At 1 June 2016	1,380	193	1,181	6	0	0
Additions	138	41	94	2	1	0
Disposals	(240)	(198)	(42)	0	0	0
At 31 May 2017	1,278	36	1,233	8	1	0
Net book values						
At 31 May 2017	503	5	159	1	337	1
At 31 May 2016	259	44	214	0	0	1
LLP						
Cost						
At 1 June 2016	1,540	204	1,330	6	0	0
Additions	381	1	39	3	338	0
Disposals	(203)	(194)	(9)	0	0	0
At 31 May 2017	1,718	11	1,360	9	338	0
Depreciation						
At 1 June 2016	1,296	163	1,127	6	0	0
Additions	131	39	89	2	1	0
Disposals	(203)	(194)	(9)	0	0	0
At 31 May 2017	1,224	8	1,207	8	1	0
Net book values						
At 31 May 2017	494	3	153	1	337	0
At 31 May 2016	244	41	203	0	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 2017 (continued)

7. INVESTMENTS

LLP	Total £'000	Subsidiary Undertaking £'000
Cost and net book amounts At 31 May 2017	120	0
At 31 May 2016	194	74

The LLP has investment in the following subsidiary undertakings:

Critchleys HR and Payroll LLP	England	70%
Landtax LLP	England	100%

8. DEBTORS

	Group 2017 £'000	Group 2016 £'000	LLP 2017 £'000	LLP 2016 £'000
Client debtors	1,635	1,880	1,124	1,299
Amounts due from subsidiary undertakings	0		183	296
Prepayments and accrued income	970	1,135	833	946
Other debtors	232	5	232	5
	<u>2,837</u>	<u>3,020</u>	<u>2,372</u>	<u>2,546</u>

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2017 (continued)

9. CREDITORS: Amounts falling due within one year

	Group 2017 £'000	Group 2016 £'000	LLP 2017 £'000	LLP 2016 £'000
Bank loans (unsecured)	176	100	176	100
Bank overdrafts	414	357	391	277
Trade creditors	208	260	161	221
Amounts due to subsidiary undertakings	0	0	0	0
Social security and other taxes	231	365	220	356
Accruals and deferred income	344	455	244	296
Other creditors	681	226	682	226
Amounts due to members of subsidiaries	174	179		
	<u>2,228</u>	<u>1,942</u>	<u>1,874</u>	<u>1,476</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 2017 £'000	Group 2016 £'000	LLP 2017 £'000	LLP 2016 £'000
Bank loans (secured)	316	0	316	0
Other creditors	0	150	0	150
	<u>316</u>	<u>150</u>	<u>316</u>	<u>150</u>

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2017 (continued)

11. PROVISIONS FOR LIABILITIES

Group	Total £'000	FRS102 Provision £'000
At 1 June 2016	0	0
Provisions transferred	0	0
New provisions	0	0
Paid	0	0
At 31 May 2017	0	0
LLP		
At 1 June 2016	0	0
Provisions transferred	0	0
New provisions	0	0
Paid	0	0
At 31 May 2017	0	0

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 2017 (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 2016 restated	910	(285)	625	1,033	1,658
Retired members' balances transferred to creditors	(199)	(172)	(371)		(371)
New capital introduced	30		30		30
Prior year profits now allocated to members		1,033	1,033	(1,033)	0
Members remuneration charged as an expense		1,950	1,950		1,950
Profit for the financial year available for discretionary division among members			0	275	275
Drawings		(2,365)	(2,365)		(2,365)
Repayments of capital	(141)		(141)		(141)
At 31 May 2017	600	161	761	275	1,036
Included in debtors		0			0
Members' funds		161			1,036
LLP					
At 1 June 2016 restated	910	(285)	625	1,033	1,658
Retired members' balances transferred to creditors	(199)	(172)	(371)		(371)
New capital introduced	30		30		30
Prior year profits now allocated to members		1,033	1,033	(1,033)	0
Members remuneration charged as an expense		1,950	1,950		1,950
Profit for the financial year available for discretionary division among members			0	275	275
Drawings		(2,365)	(2,365)		(2,365)
Repayments of capital	(141)		(141)		(141)
At 31 May 2017	600	161	761	275	1,036
Included in debtors					0
Members' funds		161			1,036

Loans and other amounts due to members may be set-off against amounts due from members included in debtors of £NIL (2016: £ NIL) but would otherwise rank as unsecured creditors.

CRITCHLEYS LLP

Notes to the Financial Statements for the year ended 31 May 2017 (continued)

13. MINORITY INTEREST

	Group 2017 £'000	Group 2016 £'000
At 1 June	85	93
Share of profit for the year	0	176
Payments made	(85)	(184)
At 31 May	<u>0</u>	<u>85</u>

14. CONTINGENT LIABILITIES

Neither the group nor the LLP had any contingent liabilities as at 31 May 2017 or 31 May 2016

15. LEASING COMMITMENTS

The total commitments in respect of operating leases for land and buildings were £ 2,438,000 (2016: £268,000).

16. ANALYSIS OF CHANGES IN NET FUNDS

	1 Jun 16 £'000	Cash flow £'000	31 May 17 £'000
Cash at bank and in hand	256	(256)	0
Bank overdrafts	(357)	(57)	(414)
Bank loans	0	0	0
	<u>(101)</u>	<u>(313)</u>	<u>(414)</u>