

Marriott Harrison LLP

Annual Report and Unaudited Financial Statements

For the year ended 31 March 2023

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Limited Liability Partnership Registration No. OC372774 (England and Wales)

Marriott Harrison LLP

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Balance Sheet

As at 31 March 2023

		2023		2022 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	4	624,822		389,148	
Investments	5	20,666		-	
			645,488		389,148
Current assets					
Debtors	6	5,481,767		4,081,781	
Cash and cash equivalents		2,054,234		2,298,466	
			7,536,001		6,380,247
Creditors: amounts falling due within one year	7	(2,943,781)		(1,493,661)	
Net current assets			4,592,220		4,886,586
Total assets less current liabilities			5,237,708		5,275,734
Creditors: amounts falling due after more than one year	8		(700,000)		(1,000,000)
Provisions for liabilities	9		-		(111,000)
Net assets attributable to members			4,537,708		4,164,734
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability			1,369,750		1,265,000
Other amounts			3,167,958		2,899,734
			4,537,708		4,164,734

The members of the limited liability partnership have elected not to include a copy of the profit and loss account within the financial statements.

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Balance Sheet (Continued)

As at 31 March 2023

For the financial year ended 31 March 2023 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small limited liability partnerships.

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 11 December 2023 and are signed on their behalf by:

JD Leigh-Hunt
Designated member

Limited Liability Partnership Registration No. OC372774

Marriott Harrison LLP

Reconciliation of Members' Interests

For the year ended 31 March 2023

<i>Current financial year</i>	DEBT			TOTAL
	Loans and other debts due to members less any amounts due from members in debtors			Members' Interests
	Members' capital	Other amounts	Total	Total 2023
	£	£	£	£
Members' interests at 1 April 2022	1,265,000	2,899,734	4,164,734	4,164,734
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	6,311,775	6,311,775	6,311,775
Result for the financial year available for discretionary division among members	-	-	-	-
Members' interests after loss and remuneration for the year	1,265,000	9,211,509	10,476,509	10,476,509
Introduced by members	80,000	-	80,000	80,000
Reclassifications	49,750	(49,750)	-	-
Repayment of debt (including members' capital classified as a liability)	(25,000)	-	(25,000)	(25,000)
Drawings on account and distributions of profit	-	(5,993,801)	(5,993,801)	(5,993,801)
Members' interests at 31 March 2023	1,369,750	3,167,958	4,537,708	4,537,708

As permitted by the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships issued in December 2021, the LLP has taken the option of presenting the above Reconciliation of Members' Interests as a primary statement instead of the Statement of Changes in Equity.

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Reconciliation of Members' Interests (Continued)

For the year ended 31 March 2023

<i>Prior financial year</i>	DEBT			TOTAL
	Loans and other debts due to members less any amounts due from members in debtors			Members' Interests
	Members' capital	Other amounts	Total	Total 2022
		£	£	£
Members' interests at 1 April 2021	1,105,000	2,001,030	3,106,030	3,106,030
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	5,574,229	5,574,229	5,574,229
Result for the financial year available for discretionary division among members	-	-	-	-
Members' interests after loss and remuneration for the year	1,105,000	7,575,259	8,680,259	8,680,259
Introduced by members	235,000	-	235,000	235,000
Repayment of debt (including members' capital classified as a liability)	(75,000)	-	(75,000)	(75,000)
Drawings on account and distributions of profit	-	(4,675,525)	(4,675,525)	(4,675,525)
Members' interests at 31 March 2022	1,265,000	2,899,734	4,164,734	4,164,734

As permitted by the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships issued in December 2021, the LLP has taken the option of presenting the above Reconciliation of Members' Interests as a primary statement instead of the Statement of Changes in Equity.

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Notes to the Financial Statements

For the year ended 31 March 2023

1 Accounting policies

Limited liability partnership information

Marriott Harrison LLP is a limited liability partnership domiciled and incorporated in England and Wales. The registered office is 80 Cheapside, London, United Kingdom, EC2V 6EE.

The limited liability partnership's principal activities are disclosed in the Members' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2021, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Prior period adjustment

Members capital has been restated in the prior year and is now classified as debt in line with the LLP agreement.

1.3 Going concern

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

1.4 Turnover

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations which are performed gradually over time.

If, at the balance sheet date, completion of contractual obligations is dependent on external factors (and thus outside the control of the Limited Liability Partnership), then revenue is recognised only when the event occurs. In such cases, costs incurred up to the balance sheet date are carried forward as work in progress.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and direct expenses, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.5 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

The LLP divides profits automatically, and there is no profit available for discretionary division at the year-end. Automatic divisions of profit are recognised as 'Members' Remuneration Charged as an Expense' in the profit and loss account.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Leasehold improvements	Over the term of the lease
Fixtures and fittings	25% Straight Line
Office equipment	25% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

Basic financial instruments are measured at amortised cost. The limited liability partnership has no other financial instruments or basic financial instruments measured at fair value.

1.11 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

The provision made for dilapidations is in respect of property leases which contain requirements for the premises to be returned to their original state prior to conclusion of the lease term. The provision for claims represents the estimated cost to the firm of defending and settling claims where a liability is considered by the members to be probable, after allowing for recoveries under insurance policies.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits and post retirement payments to members

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

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

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

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

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

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Accrued Income

Some elements of accrued income in these financial statements are estimated. This estimate is necessary as it is not possible to determine the remaining accrued income amount directly from the accounting system. The estimate is calculated using the average recoverability rate over the last 3 years and is reviewed by management each year before the financial statements are prepared to confirm its appropriateness. This estimate may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

3 Employees

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

	2023 Number	2022 Number
Total	51	37
	==	==

Marriott Harrison LLP

Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

4 Tangible fixed assets

	Leasehold Improvements	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	277,428	70,053	373,577	721,058
Additions	194,480	90,496	91,762	376,738
At 31 March 2023	471,908	160,549	465,339	1,097,796
Depreciation and impairment				
At 1 April 2022	-	3,261	328,649	331,910
Depreciation charged in the year	74,271	33,073	33,720	141,064
At 31 March 2023	74,271	36,334	362,369	472,974
Carrying amount				
At 31 March 2023	397,637	124,215	102,970	624,822
At 31 March 2022	277,428	66,792	44,928	389,148

5 Fixed asset investments

	2023 £	2022 £
Other investments other than loans	20,666	-

Movements in fixed asset investments

	Investments £
Cost or valuation	
At 1 April 2022	-
Additions	50,000
At 31 March 2023	50,000
Impairment	
At 1 April 2022	-
Impairment losses	29,334
At 31 March 2023	29,334
Carrying amount	
At 31 March 2023	20,666
At 31 March 2022	-

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

6 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	3,701,169	2,602,484
Other debtors	113,540	112,244
Prepayments and accrued income	1,667,058	1,367,053
	<u>5,481,767</u>	<u>4,081,781</u>

7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	300,000	300,000
Other borrowings	799,998	311,283
Trade creditors	260,981	66,439
Taxation and social security	774,978	476,473
Other creditors	-	38,191
Accruals and deferred income	807,824	301,275
	<u>2,943,781</u>	<u>1,493,661</u>

8 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	<u>700,000</u>	<u>1,000,000</u>

The LLP's bank loans and overdrafts are secured by a debenture and floating charge over the assets of the LLP. As at 31 March 2023, there was a bank overdraft of £nil (2022: £nil) and a business loan balance of £700,000 (2022: £1,000,000).

9 Provisions for liabilities

	2023	2022
	£	£
Dilapidations provision	<u>-</u>	<u>111,000</u>

10 Loans and other debts due to members

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

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

11 Operating lease commitments

Lessee

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

2023	2022
£	£
1,922,812	2,114,811
<u> </u>	<u> </u>

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