

# Debenhams Ottaway LLP

## Annual Report and Unaudited Financial Statements

### For the year ended 30 April 2019



# Debenhams Ottaway LLP

## Limited Liability Partnership Information

---

**Designated members**

L Attrup  
R L Boulton  
N J Drake  
J D Foy  
S C Glenholme  
L T Harrison  
H J Kent  
C E Sharp  
N A G Turner  
H Young

**Limited liability partnership number** OC373542

**Registered office & business address** Ivy House  
107 St Peter's Street  
St Albans  
Hertfordshire  
AL1 3EW

**Accountants** Moore Kingston Smith LLP  
4 Victoria Square  
St Albans  
Hertfordshire  
AL1 3TF

---

# Debenhams Ottaway LLP

## Contents

---

|                                         | <b>Page</b> |
|-----------------------------------------|-------------|
| Members' report                         | 1           |
| Accountants' report                     | 3           |
| Statement of total comprehensive income | 4           |
| Balance sheet                           | 5 - 6       |
| Statement of changes in equity          | 7           |
| Notes to the financial statements       | 8 - 14      |

---

# Debenhams Ottaway LLP

## Members' Report

For the year ended 30 April 2019

---

The members present their report and financial statements for the year ended 30 April 2019.

The LLP's members are, on a day to day basis, known as Partners.

### Principal activities

The principal activity of the LLP continued to be the provision of legal services.

### Designated members

The members who held office during the year and up to the date of signature of the financial statements were as follows:

L Attrup  
R L Boulton  
N J Drake  
J D Foy  
S C Glenholme  
L T Harrison  
H J Kent  
C E Sharp  
N A G Turner  
H Young

### Policy on members' drawings

Members are permitted to make drawings in anticipation of profits that will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe to a minimum level of capital. On retirement, capital is repaid to members over a period of time in accordance with the members' agreement.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the members



S C Glenholme

**Designated Member**

21/11/19

# Debenhams Ottaway LLP

## Members' Responsibilities Statement

For the year ended 30 April 2019

---

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

Company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of 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 United Kingdom Generally Accepted Accounting Practice. Under company law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of 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 limited liability partnership and of the profit or loss of the limited liability partnership for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and 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 Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Debenhams Ottaway LLP

## Accountants' Report to the Members on the Preparation of the Unaudited Statutory Financial Statements of Debenhams Ottaway LLP for the year ended 30 April 2019

---

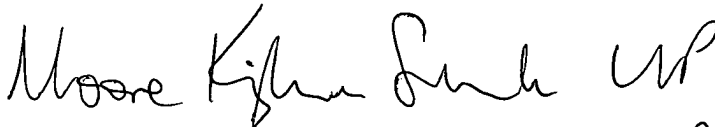
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Debenhams Ottaway LLP for the year ended 30 April 2019 which comprise the Statement of Total Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes from the limited liability partnership's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the limited liability partnership's members of Debenhams Ottaway LLP, as a body, in accordance with the terms of our engagement letter dated 21 May 2015. Our work has been undertaken solely to prepare for your approval the financial statements of Debenhams Ottaway LLP and state those matters that we have agreed to state to the limited liability partnership's members of Debenhams Ottaway LLP, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Debenhams Ottaway LLP and its members as a body, for our work or for this report.

It is your duty to ensure that Debenhams Ottaway LLP has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Debenhams Ottaway LLP. You consider that Debenhams Ottaway LLP is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Debenhams Ottaway LLP. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



**Moore Kingston Smith LLP**

25/11/19

**Chartered Accountants**

4 Victoria Square  
St Albans  
Hertfordshire  
AL1 3TF

# Debenhams Ottaway LLP

## Statement of Total Comprehensive Income

For the year ended 30 April 2019

|                                                                                             |       | 2019<br>£        | 2018<br>£        |
|---------------------------------------------------------------------------------------------|-------|------------------|------------------|
| Turnover                                                                                    | Notes | 8,592,334        | 8,395,868        |
| Administrative expenses                                                                     |       | (6,744,132)      | (6,921,265)      |
| <b>Operating profit</b>                                                                     |       | <b>1,848,202</b> | <b>1,474,603</b> |
| Interest receivable and similar income                                                      |       | 252,059          | 153,853          |
| Interest payable and similar expenses                                                       |       | (61,930)         | (34,049)         |
| <b>Profit for the financial year before<br/>members' remuneration and profit shares</b>     |       | <b>2,038,331</b> | <b>1,594,407</b> |
| Members' remuneration charged as an<br>expense                                              | 3     | (2,038,331)      | (1,594,407)      |
| <b>Profit for the financial year available for<br/>discretionary division among members</b> |       | <b>-</b>         | <b>-</b>         |
| <b>Total comprehensive income for the year</b>                                              |       | <b>-</b>         | <b>-</b>         |

# Debenhams Ottaway LLP

## Balance Sheet

As at 30 April 2019

|                                                                | Notes | 2019<br>£          | £                | 2018<br>£          | £                |
|----------------------------------------------------------------|-------|--------------------|------------------|--------------------|------------------|
| <b>Fixed assets</b>                                            |       |                    |                  |                    |                  |
| Tangible assets                                                | 4     |                    | 274,125          |                    | 267,568          |
| <b>Current assets</b>                                          |       |                    |                  |                    |                  |
| Work in progress                                               |       | 75,208             |                  | 225,223            |                  |
| Debtors                                                        | 5     | 3,227,227          |                  | 3,237,756          |                  |
| Cash at bank and in hand                                       |       | 1,376,063          |                  | 792,605            |                  |
|                                                                |       | <u>4,678,498</u>   |                  | <u>4,255,584</u>   |                  |
| <b>Creditors: amounts falling due within one year</b>          | 6     | <u>(1,914,899)</u> |                  | <u>(1,508,116)</u> |                  |
| Net current assets                                             |       |                    | 2,763,599        |                    | 2,747,468        |
| <b>Total assets less current liabilities</b>                   |       |                    | 3,037,724        |                    | 3,015,036        |
| <b>Creditors: amounts falling due after more than one year</b> | 7     |                    | (68,641)         |                    | (286,266)        |
| <b>Net assets attributable to members</b>                      |       |                    | <u>2,969,083</u> |                    | <u>2,728,770</u> |
| <b>Represented by:</b>                                         |       |                    |                  |                    |                  |
| <b>Loans and other debts due to members</b>                    | 8     |                    |                  |                    |                  |
| Amounts due in respect of profits                              |       |                    | 1,369,083        |                    | 1,128,770        |
| <b>Members' other interests</b>                                | 8     |                    |                  |                    |                  |
| Members' capital classified as equity                          |       |                    | 1,600,000        |                    | 1,600,000        |
|                                                                |       |                    | <u>2,969,083</u> |                    | <u>2,728,770</u> |



# Debenhams Ottaway LLP

## Balance Sheet (Continued)

As at 30 April 2019

---

For the financial year ended 30 April 2019 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).

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 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 21/11/19 and are signed on their behalf by:



S C Glenholme

**Designated member**

**Limited Liability Partnership Registration No. OC373542**

# Debenhams Ottaway LLP

## Statement of Changes in Equity For the year ended 30 April 2019

---

|                                                    | Notes | Members'<br>capital<br>£ |
|----------------------------------------------------|-------|--------------------------|
| Balance at 1 May 2017                              |       | <u>1,750,000</u>         |
| Profit and total comprehensive income for the year |       | -                        |
| Members' capital redeemed                          | 8     | <u>(150,000)</u>         |
| Balance at 30 April 2018                           |       | <u>1,600,000</u>         |
| Profit and total comprehensive income for the year |       | -                        |
| Balance at 30 April 2019                           |       | <u><u>1,600,000</u></u>  |

# Debenhams Ottaway LLP

## Notes to the Financial Statements

For the year ended 30 April 2019

---

### 1 Accounting policies

#### Limited liability partnership information

Debenhams Ottaway LLP is a limited liability partnership incorporated in England and Wales. The registered office is Ivy House, 107 St Peter's Street, St Albans, Herts, AL1 3EW.

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 January 2017, 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 Turnover

Turnover represents amount receivable for goods and services net of VAT and trade discounts.

#### Revenue recognition

Fees receivable are recognised in the profit and loss account when a right to consideration has been obtained in exchange for performance of contractual obligations. Income is recorded at the fair value of the right to consideration, including principal time, after deducting allowances for discounts, credit risk, and any other uncertainties relating to a client's willingness to pay.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

#### 1.3 Distribution of profits

Profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment and the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense and presented as members remuneration charged as an expense in arriving at the result for the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities.

#### 1.4 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:

|                                |                               |
|--------------------------------|-------------------------------|
| Land and buildings Leasehold   | Over the period of the lease  |
| Leasehold improvements         | Over the period of the lease  |
| Fixtures, fittings & equipment | 15% - 33.33% reducing balance |

# Debenhams Ottaway LLP

## Notes to the Financial Statements (Continued)

For the year ended 30 April 2019

---

### 1 Accounting policies

(Continued)

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.

#### 1.5 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). Where it is not possible to estimate the recoverable amount of an individual asset, the limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Work in progress

Work in progress in relation to contingent fee arrangements, where the contingent condition has not been met at the balance sheet date is valued at the lower of cost and net realisable value. Cost is arrived at on the basis of direct chargeable salary costs plus attributable overheads based on normal levels of activity.

#### 1.7 Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# Debenhams Ottaway LLP

## Notes to the Financial Statements (Continued)

For the year ended 30 April 2019

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

# Debenhams Ottaway LLP

## Notes to the Financial Statements (Continued)

For the year ended 30 April 2019

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow limited liability partnership companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

### 1.8 Equity instruments

Equity instruments issued by the limited liability partnership are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the limited liability partnership.

### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

### 1.10 Retirement benefits and post retirement payments to members

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

# Debenhams Ottaway LLP

## Notes to the Financial Statements (Continued)

For the year ended 30 April 2019

### 1 Accounting policies

(Continued)

The LLP operates a defined contribution pension scheme for its employees. The amount charged to the profit and loss account in respect of pension costs and other post retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown in creditors in the financial statements.

#### 1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income 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 lease asset are consumed.

### 2 Employees

The average number of persons (excluding members) employed by the partnership during the year was 98 (2018 - 102).

### 3 Members' remuneration

|                                                                | 2019<br>Number   | 2018<br>Number   |
|----------------------------------------------------------------|------------------|------------------|
| The average number of members during the year was              | 10               | 10               |
|                                                                | <u>2019</u><br>£ | <u>2018</u><br>£ |
| Profit attributable to the member with the highest entitlement | 204,967          | 160,549          |
|                                                                | <u>2019</u><br>£ | <u>2018</u><br>£ |
| Automatic division of profits                                  | 2,038,331        | 1,594,407        |

# Debenhams Ottaway LLP

## Notes to the Financial Statements (Continued)

For the year ended 30 April 2019

### 4 Tangible fixed assets

|                                    | Land and buildings | Plant and machinery etc | Total     |
|------------------------------------|--------------------|-------------------------|-----------|
|                                    | £                  | £                       | £         |
| <b>Cost</b>                        |                    |                         |           |
| At 1 May 2018                      | 288,076            | 867,337                 | 1,155,413 |
| Additions                          | 69,944             | 11,447                  | 81,391    |
| At 30 April 2019                   | 358,020            | 878,784                 | 1,236,804 |
| <b>Depreciation and impairment</b> |                    |                         |           |
| At 1 May 2018                      | 288,076            | 599,769                 | 887,845   |
| Depreciation charged in the year   | 2,113              | 72,721                  | 74,834    |
| At 30 April 2019                   | 290,189            | 672,490                 | 962,679   |
| <b>Carrying amount</b>             |                    |                         |           |
| At 30 April 2019                   | 67,831             | 206,294                 | 274,125   |
| At 30 April 2018                   | -                  | 267,568                 | 267,568   |

### 5 Debtors

|                                             | 2019      | 2018      |
|---------------------------------------------|-----------|-----------|
|                                             | £         | £         |
| <b>Amounts falling due within one year:</b> |           |           |
| Trade debtors                               | 1,142,748 | 1,097,266 |
| Other debtors                               | 2,084,479 | 2,140,490 |
|                                             | 3,227,227 | 3,237,756 |

### 7 Creditors: amounts falling due within one year

|                                    | 2019      | 2018      |
|------------------------------------|-----------|-----------|
|                                    | £         | £         |
| Trade creditors                    | 457,580   | 233,708   |
| Amounts due to retired partners    | 216,754   | 276,998   |
| Other taxation and social security | 403,976   | 437,709   |
| Other creditors                    | 836,589   | 559,701   |
|                                    | 1,914,899 | 1,508,116 |



# Debenhams Ottaway LLP

## Notes to the Financial Statements (Continued)

For the year ended 30 April 2019

### 7 Creditors: amounts falling due after more than one year

|                                 | 2019<br>£ | 2018<br>£ |
|---------------------------------|-----------|-----------|
| Amounts due to retired partners | 68,641    | 286,266   |

### 8 Reconciliation of Members' Interests

|                                                                                  | Members'<br>Capital<br>Accounts<br>£ | Members'<br>Current<br>Accounts<br>£ | Total<br>£  |
|----------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|-------------|
| Members' interests at 1 May 2018                                                 | 1,600,000                            | 1,128,770                            | 2,728,770   |
| Profit for the financial year available for discretionary division among members | -                                    | 2,038,331                            | 2,038,331   |
| Members' interests after profit for the year                                     | 1,600,000                            | 3,167,101                            | 4,767,101   |
| Drawings                                                                         | -                                    | (1,798,018)                          | (1,798,018) |
| Members' interests at 30 April 2019                                              | 1,600,000                            | 1,369,083                            | 2,969,083   |

### 9 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.

### 10 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:

|                            | 2019<br>£ | 2018<br>£ |
|----------------------------|-----------|-----------|
| Within one year            | 316,010   | 194,330   |
| Between two and five years | 1,200,867 | 1,008,552 |
| In over five years         | 805,494   | 45,920    |
|                            | 2,322,371 | 1,248,802 |