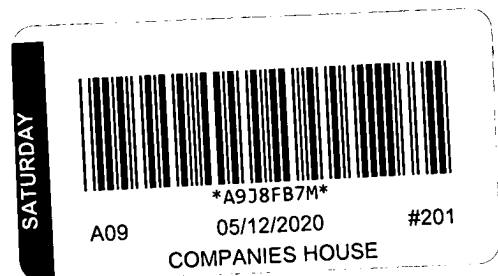


Registration number: OC382819

PREPARED FOR THE REGISTRAR
PARDOES SOLICITORS LLP
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

Hazlewoods LLP
Windsor House
Bayshill Road
Cheltenham
GL50 3AT



PARDOES SOLICITORS LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	G A Adams B R L Hogarty M T Vickery
Registered office	West Quay House Northgate Bridgwater Somerset TA6 3EU
Bankers	Lloyds Bank plc 25 The Cornhill Bridgwater Somerset TA6 3AY
Accountants	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

PARDOES SOLICITORS LLP

**(REGISTRATION NUMBER: OC382819)
BALANCE SHEET AS AT 30 APRIL 2020**

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	85,070	94,538
Current assets			
Debtors	6	2,163,497	2,212,995
Cash and short-term deposits		80	262
		<u>2,163,577</u>	<u>2,213,257</u>
Creditors: Amounts falling due within one year	7	<u>(1,319,803)</u>	<u>(1,281,674)</u>
Net current assets		<u>843,774</u>	<u>931,583</u>
Total assets less current liabilities		<u>928,844</u>	<u>1,026,121</u>
Creditors: Amounts falling due after more than one year	8	<u>(622,031)</u>	<u>(776,385)</u>
Net assets attributable to members		<u>306,813</u>	<u>249,736</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		<u>306,813</u>	<u>249,736</u>
		<u>306,813</u>	<u>249,736</u>
Total members' interests			
Amounts due from members		(119,679)	(140,909)
Loans and other debts due to members		<u>306,813</u>	<u>249,736</u>
		<u>187,134</u>	<u>108,827</u>


For the year ended 30 April 2020 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006, as applied to LLPs, relating to small entities.

These financial statements have been prepared in accordance with the special provisions relating to LLPs subject to the small LLPs regime within Part 15 of the Companies Act 2006, as applied to LLPs.

These financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime, as applied to LLPs, and the option not to file the Profit and Loss Account has been taken.

The members acknowledge their responsibilities for complying with the requirements of the Companies Act 2006, as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 with respect to accounting records and the preparation of accounts.

The financial statements of Pardoes Solicitors LLP (registered number OC382819) were approved by the members and authorised for issue on 11/7/2020. They were signed on behalf of the LLP by:


G A Adams
Designated member

The notes on pages 3 to 8 form an integral part of these financial statements.

PARDOES SOLICITORS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020

1 General information

The place of registration of the LLP is England and Wales under the Limited Liability Partnership Act 2000.

The address of the registered office is:

West Quay House
Northgate
Bridgwater
Somerset
TA6 3EU

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The presentational currency of the financial statements is pounds sterling, being the functional currency of the primary economic environment in which the LLP operates. Monetary amounts in these financial statements are rounded to the nearest pound.

Judgements

In the application of the LLP's accounting policies, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

PARDOES SOLICITORS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020 (CONTINUED)

2 Accounting policies (continued)

Key sources of estimation uncertainty

Bad debt provision - due to the nature of the business, there are high levels of trade debtors at the year end and, therefore, a risk that some of these balances may not be recoverable. A bad debt review is carried out, where debts are assessed and provided against when the recoverability of these balances is considered to be uncertain. The carrying amount is £4,088 (2019 - £16,201).

Amounts recoverable on contracts - The process of assessing amounts recoverable on contracts requires various estimates and judgements to be made. Fee earners are required to record time spent on client assignments and this is used as the basis for the amounts recoverable on contracts estimate. A year end report of time on all assignments is circulated to fee earners to identify likely recoverable amounts. The carrying amount is £1,530,018 (2019 - £1,532,314).

Revenue recognition

Fee income represents the fair value of services provided during the year on client assignments. Fair value reflects the amounts expected to be recoverable from clients based on time spent, skills provided and expenses incurred, and excludes VAT. Income is recognised as contract activity progresses and the right to consideration is secured, except where the final outcome cannot be assessed with reasonable certainty.

Income in respect of contingent fee assignments is recognised in the period when the contingent event occurs and collectability of the fee is assured.

Unbilled income on individual client assignments is included as amounts recoverable on contracts within debtors.

Members' remuneration and division of profits

The profits of the LLP are automatically divided among the members in accordance with the agreed profit share arrangements.

A member's share of the profit or loss for the year is accounted for as allocation of profits.

Taxation

The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements.

other taxes policy

Goodwill

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 the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

PARDOES SOLICITORS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020 (CONTINUED)

2 Accounting policies (continued)

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Goodwill	Straight line over 5 years

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	15% reducing balance
Motor vehicles	25% reducing balance

Trade debtors

Trade debtors are amounts due from clients for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the limited liability partnership will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the LLP does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the LLP has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Borrowing costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

PARDOES SOLICITORS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020 (CONTINUED)

2 Accounting policies (continued)

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the LLP is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and Measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment of financial assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

PARDOES SOLICITORS LLP

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020
(CONTINUED)**

3 Particulars of employees

The average number of persons employed by the LLP during the year was 65 (2019 - 75).

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 May 2019	53,419
At 30 April 2020	53,419
Amortisation	
At 1 May 2019	53,419
At 30 April 2020	53,419
Net book value	
At 30 April 2020	-
At 30 April 2019	-

5 Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Total £
Cost			
At 1 May 2019	641,600	7,316	648,916
Additions	629	-	629
At 30 April 2020	642,229	7,316	649,545
Depreciation			
At 1 May 2019	542,785	6,593	549,378
Charge for the year	14,916	181	15,097
At 30 April 2020	557,701	6,774	564,475
Net book value			
At 30 April 2020	84,528	542	85,070
At 30 April 2019	98,815	723	99,538

PARDOES SOLICITORS LLP

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2020
(CONTINUED)**

6 Debtors

	2020 £	2019 £
Trade debtors	247,314	218,042
Amounts recoverable on contracts	1,530,018	1,532,314
Amounts due from members	119,679	140,909
Other debtors	255,928	239,534
Prepayments and accrued income	10,558	82,196
	<u>2,163,497</u>	<u>2,212,995</u>

7 Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	43,557	106,246
Trade creditors	250,474	274,036
Other creditors	496,312	353,695
Accruals and deferred income	31,860	16,087
Other loans	352,882	363,460
Taxation and social security	144,718	168,150
	<u>1,319,803</u>	<u>1,281,674</u>

Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the LLP:

	2020 £	2019 £
Bank overdrafts	<u>43,557</u>	<u>106,246</u>

Fixed and floating charge over the assets of the LLP.

8 Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	<u>622,031</u>	<u>776,385</u>

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £73,164 (2019 - £127,404).