

Limited Liability Partnership registration number OC385116 (England and Wales)

**GIRLINGS SOLICITORS LLP**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**  
**PAGES FOR FILING WITH REGISTRAR**

**GIRLINGS SOLICITORS LLP**

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# GIRLINGS SOLICITORS LLP

## BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5		377,279		450,397
Investments	6		188,758		188,758
			<u>566,037</u>		<u>639,155</u>
<b>Current assets</b>					
Debtors	7	2,324,026		2,093,609	
Cash at bank and in hand		1,092,723		980,991	
		<u>3,416,749</u>		<u>3,074,600</u>	
<b>Creditors: amounts falling due within one year</b>	8	(1,083,804)		(1,133,326)	
<b>Net current assets</b>			<u>2,332,945</u>		<u>1,941,274</u>
<b>Total assets less current liabilities</b>			<u>2,898,982</u>		<u>2,580,429</u>
<b>Creditors: amounts falling due after more than one year</b>	9		(413,333)		(573,333)
<b>Net assets attributable to members</b>			<u><u>2,485,649</u></u>		<u><u>2,007,096</u></u>
<b>Represented by:</b>					
<b>Loans and other debts due to members</b>					
Members' capital classified as equity			975,000		900,000
Amounts due from members classified as liabilities			1,510,649		1,107,096
			<u><u>2,485,649</u></u>		<u><u>2,007,096</u></u>

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

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.

## **GIRLINGS SOLICITORS LLP**

### **BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2023***

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The financial statements were approved by the members and authorised for issue on 18 December 2023 and are signed on their behalf by:

Miss L Rushton  
**Designated member**

**Limited Liability Partnership Registration No. OC385116**

# **GIRLINGS SOLICITORS LLP**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Limited liability partnership information**

Girlings Solicitors LLP is a limited liability partnership incorporated in England and Wales. The registered office is 16 Rose Lane, Canterbury, Kent, CT1 2UR.

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 LLP's 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 amounts, including recoverable expenses chargeable for professional services provided during the year, net of value added tax.

Fees are recognised when the right to compensation has arisen through the performance under each assignment undertaken. Consideration accrues as the assignment progresses by reference to the value of the work performed. Fees are not recognised where the right to receive payment is contingent on events outside the control of the LLP.

Work in progress is valued at the lower of charge out rate (consistent with FRS 102) and net realisable value. Amounts billed on account of work in progress are deducted from gross work in progress to the extent that they are not recognised as revenue. Amounts billed on account of work in progress are included in creditors as deferred income to the extent that they exceed the value of the related work in progress. Fees which had not been invoiced at the balance sheet date are included in debtors as amounts received on contracts.

#### **1.3 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.

# GIRLINGS SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

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.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and was amortised on a systematic basis over its expected life.

#### 1.5 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 minimum term of the lease
Fixtures, fittings & equipment	10 years
Computer equipment	5 or 6 years
Motor vehicles	5 years

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.

#### 1.6 Fixed asset investments

An associate is an entity, being neither a subsidiary nor a joint venture, in which the limited liability partnership holds a long-term interest and where the limited liability partnership has significant influence. The limited liability partnership considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Interests in associates 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.

#### 1.7 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.

# GIRLINGS SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

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.

#### 1.8 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.

#### 1.9 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.

##### **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.

# GIRLINGS SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### **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.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group 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 payments 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.



# GIRLINGS SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

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

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

#### **1.10 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.

#### **1.11 Retirement benefits and post retirement payments to members**

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

The LLP has no obligation to make any payments to members after they retire from the LLP. On retirement a members' capital and current account are paid in accordance with an agreed payment schedule.

#### **1.12 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.

#### **1.13 Goodwill**

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and was amortised on a systematic basis over its original expected life.

### 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.

### 3 Employees

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

	2023 Number	2022 Number
Total	97	92

# GIRLINGS SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2022 and 31 March 2023	400,261
<b>Amortisation and impairment</b>	
At 1 April 2022 and 31 March 2023	400,261
<b>Carrying amount</b>	
At 31 March 2023	-
At 31 March 2022	-

### 5 Tangible fixed assets

	Leasehold Improvements £	Plant and machinery etc £	Total £
<b>Cost</b>			
At 1 April 2022	535,620	859,307	1,394,927
Additions	6,292	77,541	83,833
Disposals	-	(22,150)	(22,150)
At 31 March 2023	541,912	914,698	1,456,610
<b>Depreciation and impairment</b>			
At 1 April 2022	364,920	579,610	944,530
Depreciation charged in the year	49,852	107,099	156,951
Eliminated in respect of disposals	-	(22,150)	(22,150)
At 31 March 2023	414,772	664,559	1,079,331
<b>Carrying amount</b>			
At 31 March 2023	127,140	250,139	377,279
At 31 March 2022	170,700	279,697	450,397

### 6 Fixed asset investments

	2023 £	2022 £
Investments	188,758	188,758

# GIRLINGS SOLICITORS LLP

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

(Continued)

### 6 Fixed asset investments

#### Movements in fixed asset investments

	Investments other than loans £
<b>Cost</b>	
At 1 April 2022 & 31 March 2023	211,127
<b>Diminution</b>	
At 1 April 2022 & 31 March 2023	22,369
<b>Carrying amount</b>	
At 31 March 2023	188,758
At 31 March 2022	188,758

### 7 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	886,452	888,685
Other debtors	1,437,574	1,204,924
	2,324,026	2,093,609

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

	2023 £	2022 £
Bank loans (note 9)	160,000	160,000
Trade creditors	191,730	231,780
Taxation and social security	455,857	445,276
Other creditors	276,217	296,270
	1,083,804	1,133,326

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

	2023 £	2022 £
Bank loans	413,333	573,333

The bank loan is a loan taken out under the Coronavirus Business Interruption Loan Scheme and is secured by a debenture over the assets of Girlings Solicitors LLP and Girlings (William Street) Limited and also by a first legal charge held over a property held by Girlings (William Street) Limited.

## **GIRLINGS SOLICITORS LLP**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### ***FOR THE YEAR ENDED 31 MARCH 2023***

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#### **10 Financial commitments, guarantees and contingent liabilities**

As at 31 March 2023 the LLP had future property lease commitments of £95,662 (2022: £121,262) and other future leasing commitments of £nil (2022: £7,920). The LLP has guaranteed the borrowings of certain members totalling £432,416 (2022: £407,416).

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