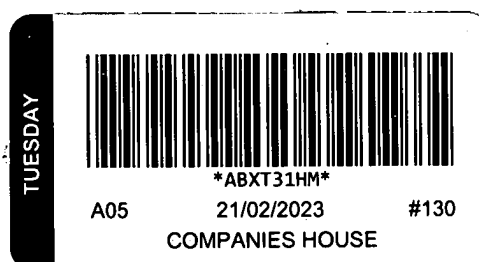


BISHOP FLEMING LLP

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 29 MAY 2022



BISHOP FLEMING LLP

INFORMATION

Designated Members P M Clarke (appointed 1 June 2022)
 A P Sandiford
 I J C Smith (resigned 1 June 2022)

LLP registered number OC391282

Registered office 2nd Floor Stratus House
 Emperor Way
 Exeter Business Park
 Exeter
 EX1 3QS

Independent auditors Clive Owen LLP
 Chartered Accountants
 Statutory Auditors
 140 Coniscliffe Road
 Darlington
 County Durham
 DL3 7RT

BISHOP FLEMING LLP

CONTENTS

	Page
Members' report	1 - 2
Independent auditors' report	3 - 6
Statement of comprehensive income	7
Statement of financial position	8 - 9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12 - 30

BISHOP FLEMING LLP

MEMBERS' REPORT FOR THE PERIOD ENDED 29 MAY 2022

The members present their annual report together with the audited financial statements of Bishop Fleming LLP (the "LLP") for the period ended 29 May 2022.

PRINCIPAL ACTIVITIES

The principal object of the LLP is to provide professional accounting, audit, tax, financial and related services.

DESIGNATED MEMBERS

P M Clarke, A P Sandiford and I J C Smith were designated members of the LLP throughout the period. P M Clarke was appointed on 1 June 2022 and I J C Smith resigned on 1 June 2022.

BUSINESS REVIEW

Bishop Fleming trades through the LLP and also through other companies which are held by their parent company, Bishop Fleming Investments Limited. The combined turnover of the LLP and the Bishop Fleming Investments Limited group was £33.2 million (2021 : £28.0 million), representing 18.6% fee growth, and another year of record fee income.

We welcomed the easing and eventual end of COVID 19 restrictions during the year, enabling our people to return to our clients and offices and a renewed focus on our ambition and growth plans. Our office at Templeback Bristol, where we relocated during the pandemic, is embraced by staff, supports collaborative working and provides a great space for meeting with clients and our Worcester office was refurbished during the spring of 2022, continuing our plans to create great working environments for our people. We have also continued to invest in training and, since the year end, our apprenticeship programme has been placed at number 14 in the Top 100 Apprenticeship Employers list for 2022. The firm also became a member of Business in the Community (BITC) during the year, the largest business-led membership organisation dedicated to responsible business, demonstrating the firm's commitment to do the right thing.

The firm has again pulled together to deliver another impressive result. We have emerged from the pandemic in a strong position, with a great team of people which will enable us to continue to invest in our business.

The business has continued to trade satisfactorily since the year end. However, challenges lie ahead for the firm and our clients as we face the headwinds of inflation and an economic recessionary outlook, but we face the future with optimism.

POLICY WITH RESPECT TO MEMBERS' DRAWINGS AND THE SUBSCRIPTION AND REPAYMENT OF AMOUNTS SUBSCRIBED OR OTHERWISE CONTRIBUTED BY MEMBERS

The LLP has equity and fixed share members as defined by the members' agreement. Members are required to contribute capital to the LLP, as determined by the Managing Partner. Capital requirements are reviewed and determined regularly by the Managing Partner. Interest is paid on capital accounts. On retirement, members' capital and current accounts are repaid. Members receive monthly drawings during the year representing payments of profits allocated to them. The amount of such drawings is set at the start of the financial year, taking into account the anticipated cash needs of the LLP. Equity members also receive additional drawings based on the allocation of the residual profits earned in the previous year, which are allocated on a discretionary basis.

During the year £4,099,674 was transferred from equity interests to debts due to members representing profit made available for discretionary division among members. This is shown in note 20.

BISHOP FLEMING LLP

**MEMBERS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 29 MAY 2022**

MEMBERS' RESPONSIBILITIES STATEMENT

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 (United Kingdom Accounting Standards and applicable law). 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 LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 LLP will continue in business.


The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are members at the time when this Members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

This report was approved by the members on 4/12/22 and signed on their behalf by:



A P Sandiford
Designated member

BISHOP FLEMING LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BISHOP FLEMING LLP

OPINION

We have audited the financial statements of Bishop Fleming LLP (the 'LLP') for the period ended 29 May 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the LLP's affairs as at 29 May 2022 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

BISHOP FLEMING LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BISHOP FLEMING LLP (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The members are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF MEMBERS

As explained more fully in the Members' responsibilities statement set out on page 1, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BISHOP FLEMING LLP (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the LLP. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations and codes of conduct issued by the Institute of Chartered Accountants in England and Wales.
- Enquiry of members and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of members and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

BISHOP FLEMING LLP

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BISHOP FLEMING LLP (CONTINUED)

USE OF OUR REPORT

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Clive Owen LLP

Antony Luckett BCom BFP FCA DChA (Senior statutory auditor)

for and on behalf of
Clive Owen LLP

Chartered Accountants
Statutory Auditors

140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date: *4 October 2022*

BISHOP FLEMING LLP

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 29 MAY 2022**

	Note	2022 £	2021 £
Turnover	4	26,507,958	21,800,512
Other operating income	5	-	144,640
Other operating charges		(4,025,197)	(3,037,081)
Staff costs	7	(11,553,193)	(10,863,407)
Depreciation, amortisation and disposal of assets		(586,226)	(405,631)
		<hr/>	<hr/>
OPERATING PROFIT	6	10,343,342	7,639,033
Interest payable and similar expenses	9	(122,523)	(121,714)
		<hr/>	<hr/>
PROFIT BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		10,220,819	7,517,319
Members' remuneration charged as an expense	20	(3,710,456)	(3,417,646)
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL PERIOD AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS	20	6,510,363	4,099,673
		<hr/> <hr/>	<hr/> <hr/>

There was no other comprehensive income for 2022(2021:£NIL).

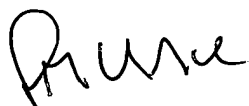
STATEMENT OF FINANCIAL POSITION
AS AT 29 MAY 2022

	Note	29 May 2022 £	30 May 2021 £
FIXED ASSETS			
Intangible assets	10	-	154,876
Tangible assets	11	1,367,584	1,532,746
		<u>1,367,584</u>	<u>1,687,622</u>
CURRENT ASSETS			
Debtors: amounts falling due within one year	12	7,807,032	6,712,158
Bank and cash balances		7,922,000	6,630,211
		<u>15,729,032</u>	<u>13,342,369</u>
Creditors: Amounts Falling Due Within One Year	13	(5,254,624)	(4,472,033)
NET CURRENT ASSETS		<u>10,474,408</u>	<u>8,870,336</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>11,841,992</u>	<u>10,557,958</u>
Creditors: amounts falling due after more than one year	14	(3,722,817)	(4,969,771)
		<u>8,119,175</u>	<u>5,588,187</u>
PROVISIONS FOR LIABILITIES			
Other provisions	18	(3,116,835)	(2,371,127)
		<u>(3,116,835)</u>	<u>(2,371,127)</u>
NET ASSETS		<u><u>5,002,340</u></u>	<u><u>3,217,060</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 29 MAY 2022

	Note	29 May 2022 £	30 May 2021 £
REPRESENTED BY:			
LOANS AND OTHER DEBTS DUE TO MEMBERS WITHIN ONE YEAR			
Members' capital classified as a liability		2,797,400	2,394,900
Other amounts	19	415,148	513,680
		<u>3,212,548</u>	<u>2,908,580</u>
MEMBERS' OTHER INTERESTS			
Other reserves classified as equity		1,789,792	308,480
		<u>1,789,792</u>	<u>308,480</u>
		<u>5,002,340</u>	<u>3,217,060</u>
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	19	3,212,548	2,908,580
Members' other interests		1,789,792	308,480
		<u>5,002,340</u>	<u>3,217,060</u>

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



P M Clarke
Designated member

Date: 4/6/22



A P Sandiford
Designated member

BISHOP FLEMING LLP

**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 MAY 2022**

	Other reserves £	Total equity £
At 31 May 2020	(262,817)	(262,817)
COMPREHENSIVE INCOME FOR THE PERIOD		
Profit for period for discretionary division among members	4,099,673	4,099,673
Allocated profit	(3,123,773)	(3,123,773)
CONTRIBUTIONS BY AND DISTRIBUTIONS TO MEMBERS		
Transfer to/from profit and loss account	44,111	44,111
Transfer between other reserves	(448,714)	(448,714)
At 30 May 2021	308,480	308,480
COMPREHENSIVE INCOME FOR THE PERIOD		
Profit for period for discretionary division among members	6,510,363	6,510,363
Allocated profit	(4,099,674)	(4,099,674)
CONTRIBUTIONS BY AND DISTRIBUTIONS TO MEMBERS		
Other movements in reserves	(929,377)	(929,377)
At 29 May 2022	1,789,792	1,789,792

BISHOP FLEMING LLP

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 29 MAY 2022**

	29 May 2022 £	30 May 2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating profit	10,343,342	7,639,033
ADJUSTMENTS FOR:		
Amortisation of intangible assets	154,876	32,664
Depreciation of tangible assets	359,993	356,882
Loss on disposal of tangible assets	71,357	16,085
(Increase) in debtors	(1,732,683)	(727,026)
Decrease in amounts owed by participating ints	637,809	232,128
Increase in creditors	766,239	340,284
Increase/(decrease) in provisions	59,335	(60,729)
Members remuneration charged as an expense	(3,710,456)	(3,417,646)
Payments to or on behalf of members	(4,441,210)	(3,302,576)
NET CASH GENERATED FROM OPERATING ACTIVITIES BEFORE TRANSACTIONS WITH MEMBERS	2,508,602	1,109,099
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(266,188)	(613,165)
HP interest paid	(33,288)	(31,747)
NET CASH FROM INVESTING ACTIVITIES	(299,476)	(644,912)
CASH FLOWS FROM FINANCING ACTIVITIES		
New secured loans	-	750,000
Repayment of loans	(930,477)	(473,517)
Repayment of/new finance leases	(300,125)	(283,879)
Interest paid	(89,235)	(89,967)
Amounts introduced by members	577,500	187,500
Members' capital repaid	(175,000)	(50,000)
NET CASH USED IN FINANCING ACTIVITIES	(917,337)	40,137
INCREASE IN CASH AND CASH EQUIVALENTS	1,291,789	504,324
Cash and cash equivalents at beginning of period	6,630,211	6,125,887
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	7,922,000	6,630,211
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD COMPRISE:		
Cash at bank and in hand	7,922,000	6,630,211

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

1. GENERAL INFORMATION

Bishop Fleming trade in the United Kingdom as a Limited Liability Partnership. The LLP is incorporated in England and Wales. Its registered office is 2nd Floor Stratus House, Emperor Way, Exeter Business Park, Exeter EX1 3QS.

The principal activities of the LLP are set out in the Members' report, page 1.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" 2019.

The financial statements are presented in Sterling (£). The financial statements present information about the LLP as an individual undertaking.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

2.2 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the LLP will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.3 GOODWILL

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the over its useful economic life.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	- 10 years
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2.4 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property improvements	- Over remainder of the lease term
Fixtures and fittings	- Over 4 to 10 years or over the lease term
Computer equipment	- Over 3 to 4 years
Other fixed assets	- Over 1 to 2 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 DEBTORS

The value of unbilled turnover is included within prepayments and accrued income. At each reporting date, the value of unbilled turnover is assessed for impairment and the carrying amount is reduced to its selling price less costs to complete. The impairment loss is recognised immediately within the Statement of Comprehensive Income.

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management.

2.7 FINANCIAL INSTRUMENTS

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.8 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 OPERATING LEASES: THE LLP AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The LLP has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.11 LEASED ASSETS: THE LLP AS LESSEE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.12 SALE AND LEASEBACK

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transition is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

2.13 GOVERNMENT GRANTS

Grants of a revenue nature are recognised in the profit and loss in the same period as the related expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.14 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in other creditors as a liability in the Statement of financial position. The assets of the plan are held separately from the LLP in independently administered funds.

2.15 BORROWING COSTS

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.16 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the LLP a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the LLP becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.17 TAXATION

Taxation on all LLP profits is solely the personal liability of individual members. Consequently neither taxation nor related deferred taxation arising in respect of the LLP is accounted for in these financial statements. Amounts retained for the payment of tax are treated in the same way as other profits of the LLP and so are included in loans and other debts due to members.

2.18 TRANSFER OF MEMBERS' INTERESTS

During the year £4,099,674 was transferred from members' capital interests to debts due to members.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.19 POST RETIREMENT PAYMENTS DUE TO MEMBERS

The post retirement payments due to current and former equity members and their dependents are determined based on a fixed amount per annum and their number of years service. Provision is made for such payments when a member obtains an actual or constructive right to the payments. The provision is based on the estimated present value of the expected future payments. All provisions are reassessed annually.

Amounts recognised in respect of former members are charged to the profit and loss account within staff costs as an expense. The liability for post-retirement payments due to current members is recorded in the balance sheet within loans and other debts due to members. In the year in which a member retires, the liability is transferred from loans and other debts due to members and is recorded as a liability due to former members within provisions.

The unwinding of the discount on provisions and adjustments arising from changes in circumstances, estimates and assumptions in respect of post-retirement payments due to current members is charged to other reserves.

2.20 MEMBERS' REMUNERATION AND DIVISION OF PROFITS

The share of profits relating to fixed share members, including interest on members' capital balances, is disclosed under the heading 'Members' remuneration charged as an expense'.

Equity members' initial share of profits, including interest earned on members' capital balances, are determined by the designated members and allocated automatically, subject to the availability of profits. These are disclosed under the heading 'Members' remuneration charged as an expense'.

Any further profit allocation to fixed and equity share members are not allocated until after the balance sheet date and are treated in these financial statements as unallocated within equity reserves.

2.21 POST RETIREMENT PAYMENTS TO FORMER PARTNERS OF THE FORMER PARTNERSHIP

No actual or constructive liability for post-retirement payments to former partners of the former Bishop Fleming Partnership (whose trade and assets were transferred to the LLP in 2014) has been assumed by the LLP. The LLP acts as agent for its continuing members in disbursing post-retirement payments to former partners of the Partnership. Such disbursements are shown within amounts withdrawn by members within loans and other debts due to members.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements:

The value of unbilled turnover is shown within prepayments and accrued income. In arriving at the carrying value of work in progress shown on the balance sheet, judgements are made about the estimated billable value on a case by case basis.

There is an element of estimation and judgement made by the LLP when considering the bad debt provision included within trade debtors. The recoverability of trade debtor balances is considered on a case by case basis.

The LLP has made provision for leasehold improvements and re-instatement for those properties nearing the end of their lease term within the next 10 years.

The LLP has also provided for post retirement payments due to former members. These payments are due to be made over the next 15 years. The provision is based on the estimated present value of the expected future payments using inflation and discount factors equivalent to RPI – 2022 11.7% (2021: 3%).

4. TURNOVER

The whole of the turnover is attributable to the principal activities of the LLP.

All turnover arose within the United Kingdom.

5. OTHER OPERATING INCOME

	2022 £	2021 £
Government grants receivable	-	144,640
	<hr/> - <hr/>	<hr/> 144,640 <hr/>

BISHOP FLEMING LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

6. OPERATING PROFIT

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	359,993	356,822
Amortisation of intangible assets, including goodwill	154,876	32,664
Fees payable to the LLP's auditor and its associates for the audit of the LLP's annual financial statements	13,750	13,750
Other operating lease rentals	1,051,330	1,088,433

7. EMPLOYEES

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	9,822,468	9,238,395
Social security costs	818,860	794,252
Cost of defined contribution scheme	911,865	830,760
	11,553,193	10,863,407

The average monthly number of persons (including members with contracts of employment) employed during the period was as follows:

	2022 No.	2021 No.
Client Service	261	228
Support Teams and Operations Support	44	46
	305	274

BISHOP FLEMING LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

8. INFORMATION IN RELATION TO MEMBERS

	29 May 2022 Number	30 May 2021 Number
The average number of members during the period was	33	33
	29 May 2022 £	30 May 2021 £
Interest on capital	104,879	79,362
Paid under the terms of the LLP agreement	3,605,577	3,338,284
The amount of profit attributable to the member with the largest entitlement was	530,643	429,404

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Bank interest payable	89,235	89,967
Finance leases and hire purchase contracts	33,288	31,747
	122,523	121,714

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022

10. INTANGIBLE ASSETS

	Goodwill £
COST	
At 31 May 2021	376,564
At 29 May 2022	<u>376,564</u>
AMORTISATION	
At 31 May 2021	221,688
Charge for the period on owned assets	154,876
At 29 May 2022	<u>376,564</u>
NET BOOK VALUE	
At 29 May 2022	<u>-</u>
At 30 May 2021	<u>154,876</u>

BISHOP FLEMING LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

11. TANGIBLE FIXED ASSETS

	Leasehold property improvements £	Fixtures and fittings £	Computer equipment £	Other fixed assets £	Total £
COST					
At 31 May 2021	41,713	1,648,590	1,004,708	9,347	2,704,358
Additions	-	202,553	55,781	7,854	266,188
Disposals	-	(56,320)	(335,595)	(8,342)	(400,257)
At 29 May 2022	41,713	1,794,823	724,894	8,859	2,570,289
DEPRECIATION					
At 31 May 2021	3,758	538,334	624,078	5,442	1,171,612
Charge for the period on owned assets	4,565	100,093	45,308	8,164	158,130
Charge for the period on financed assets	-	61,661	140,202	-	201,863
Disposals	-	(46,322)	(274,236)	(8,342)	(328,900)
At 29 May 2022	8,323	653,766	535,352	5,264	1,202,705
NET BOOK VALUE					
At 29 May 2022	33,390	1,141,057	189,542	3,595	1,367,584
At 30 May 2021	37,955	1,110,256	380,630	3,905	1,532,746

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	29 May 2022 £	30 May 2021 £
Fixtures and fittings	392,093	453,755
Computer equipment	110,354	352,560
	<u>502,447</u>	<u>806,315</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

12. DEBTORS

	29 May 2022 £	30 May 2021 £
Trade debtors	4,543,076	3,189,788
Amounts owed by joint ventures and associated undertakings	311,611	949,420
Other debtors	92,220	176,806
Prepayments and accrued income	2,860,125	2,396,144
	<u>7,807,032</u>	<u>6,712,158</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	29 May 2022 £	30 May 2021 £
Bank loans	930,878	934,338
Trade creditors	420,943	322,311
Other taxation and social security	1,138,579	1,455,320
Obligations under finance lease and hire purchase contracts	249,637	300,125
Other creditors	85,023	75,577
Accruals and deferred income	2,429,564	1,384,362
	<u>5,254,624</u>	<u>4,472,033</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	29 May 2022 £	30 May 2021 £
Bank loans	3,200,321	4,127,338
Net obligations under finance leases and hire purchase contracts	421,279	670,916
Accruals and deferred income	101,217	171,517
	<u>3,722,817</u>	<u>4,969,771</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

Secured liabilities

	29 May 2022 £	30 May 2021 £
Total secured liabilities	4,802,115	6,032,717
	<u>4,802,115</u>	<u>6,032,717</u>

Bank loans are secured by debentures over the assets of the LLP. Bank loans are repayable in monthly instalments until April 2024, December 2025, June 2026, May 2029 and June 2030 and carry an interest rate of 1.70% over base, 1.70% over base, 1.38% over base, 3.14% and 1.78% over base respectively.

Net obligations under finance leases and hire purchase contracts are secured over the assets to which they relate.

15. LOANS

Analysis of the maturity of loans is given below:

	29 May 2022 £	30 May 2021 £
AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank loans	930,878	934,338
	<u>930,878</u>	<u>934,338</u>
AMOUNTS FALLING DUE 2-5 YEARS		
Bank loans	2,780,280	3,586,835
	<u>2,780,280</u>	<u>3,586,835</u>
AMOUNTS FALLING DUE AFTER MORE THAN 5 YEARS		
Bank loans	420,041	540,503
	<u>420,041</u>	<u>540,503</u>
	<u>4,131,199</u>	<u>5,061,676</u>

BISHOP FLEMING LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

16. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	29 May 2022 £	30 May 2021 £
Within one year	249,637	300,125
Between 1-5 years	421,279	670,916
	<u>670,916</u>	<u>971,041</u>

BISHOP FLEMING LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 MAY 2022

17. ANALYSIS OF NET DEBT

	At 31 May 2021 £	Arising from cash flows £	Other non- cash changes £	At 29 May 2022 £
Cash at bank and in hand	6,630,211	1,291,789	-	7,922,000
Borrowings due within 1 year	(934,338)	930,477	(927,017)	(930,878)
Borrowings due after 1 year	(4,127,338)	-	927,017	(3,200,321)
Finance leases	(971,041)	300,125	-	(670,916)
Net debt (before members' debt)	597,494	2,522,391	-	3,119,885
<i>Loans and other debts due to members</i>				
Members' capital	(2,394,900)	(402,500)	-	(2,797,400)
Other amounts due to members	(513,680)	-	98,532	(415,148)
	<u>(2,311,086)</u>	<u>2,119,891</u>	<u>98,532</u>	<u>(92,663)</u>

18. PROVISIONS

	Dilapidations £	Post- retirement payments to former members £	Total £
At 31 May 2021	374,794	1,996,333	2,371,127
Charged to profit or loss	61,255	-	61,255
Transferred from loans and other debts in equity	-	266,468	266,468
Transferred from other equity reserves	-	521,404	521,404
Utilised in period	(1,919)	(101,500)	(103,419)
AT 29 MAY 2022	<u>434,130</u>	<u>2,682,705</u>	<u>3,116,835</u>

The LLP has made provision for leasehold improvements and re-instatement for those properties nearing the end of their lease term within the next 10 years.

The LLP has also provided for post retirement payments due to former members. These payments are due to be made over the next 15 years. The provision is based on the estimated present value of the expected future payments using inflation and discount factors equivalent to RPI – 2022 11.7% (2021: 3%).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

19. LOANS AND OTHER DEBTS DUE TO MEMBERS

	29 May 2022 £	30 May 2021 £
Members' capital treated as debt	2,797,400	2,394,900
Other amounts due to members	415,148	513,680
	<u>3,212,548</u>	<u>2,908,580</u>

Loans and other debts due to members may be further analysed as follows:

	29 May 2022 £	30 May 2021 £
Falling due within one year	3,212,548	2,908,580
	<u>3,212,548</u>	<u>2,908,580</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

BISHOP FLEMING LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 29 MAY 2022

20. RECONCILIATION OF MEMBERS' INTERESTS

	EQUITY Members' other interests		DEBT Loans and other debts due to members less any amounts due from members in debtors			Total members' interests
	Other reserves £	Total £	Members' capital (classified as debt) £	Other amounts £	Total £	Total £
Amounts due to members			2,394,900	513,680	2,908,580	
BALANCE AT 30 MAY 2021	308,480	308,480	2,394,900	513,680	2,908,580	3,217,060
Members' remuneration charged as an expense	-	-	-	3,710,456	3,710,456	3,710,456
Profit for the period available for discretionary division among members	6,510,363	6,510,363	-	-	-	6,510,363
MEMBERS' INTERESTS AFTER PROFIT FOR THE PERIOD	6,818,843	6,818,843	2,394,900	4,224,136	6,619,036	13,437,879
Allocation of discretionary profits from previous year	(4,099,674)	(4,099,674)	-	4,099,674	4,099,674	-
Movement in reserves	(929,377)	(929,377)	-	-	-	(929,377)
Amounts introduced by members	-	-	577,500	-	577,500	577,500
Repayment of capital	-	-	(175,000)	-	(175,000)	(175,000)
Amounts withdrawn by members	-	-	-	(8,151,666)	(8,151,666)	(8,151,666)
Other pension movements	-	-	-	243,004	243,004	243,004
Amounts due to members			2,797,400	415,148	3,212,548	
BALANCE AT 29 MAY 2022	1,789,792	1,789,792	2,797,400	415,148	3,212,548	5,002,340

Loans and other debts due to members includes £2,037,865 (2021: £1,794,860) in respect of provision for future pensions payable to current members. These are payable after more than one year. The annuities payable to current members are unfunded.

Provision for future pensions payable to current members is made when a member obtains an actual or constructive right to the payments. The provision is based on the estimated present value of the expected future payments using inflation and discount factors equivalent to RPI – 2022 11.7% (2021: 3%). If all current members achieved their entitlements to pensions by meeting the future age and years of service criteria, a further contingent liability of £764,000 would exist at 29 May 2022 (2021: £1,077,000).

Loans and other debts due to members rank pari passu with unsecured creditors.

The LLP has entered into undertakings with respect to the borrowings of certain members, which are used to provide capital to the LLP, and will not repay amounts due to such members if this reduces their capital below the amounts borrowed. The LLP has no liability under these undertakings as at 29 May 2022.

Other reserves include profit available for discretionary distribution of £6,510,363 (2021: £4,099,674) less unallocated future pension payments of £4,720,570 (2021: £3,791,193).

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

BISHOP FLEMING LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

21. CAPITAL COMMITMENTS

At 29 May 2022 the LLP had capital commitments as follows:

	29 May 2022 £	30 May 2021 £
Contracted for but not provided in these financial statements	202,552	-
	202,552	-

22. PENSION COMMITMENTS

Amounts outstanding at 29 May 2022 in respect of the LLP's defined contribution pension scheme amount to £85,023 (2021: £75,577). These amounts are included in Other Creditors on the balance sheet.

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £911,865 (2021: £830,760).

23. COMMITMENTS UNDER OPERATING LEASES

At 29 May 2022 the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	29 May 2022 £	30 May 2021 £
Not later than 1 year	1,100,329	1,090,751
Later than 1 year and not later than 5 years	3,445,001	3,765,595
Later than 5 years	2,021,602	2,742,388
	6,566,932	7,598,734

BISHOP FLEMING LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 29 MAY 2022**

24. RELATED PARTY TRANSACTIONS

	29 May 2022 £	30 May 2021 £
Entities over which the entity has control, joint control or significant influence		
Received management charge & recharge income	1,856,825	1,746,204
Finance lease, management charge and recharge expenses	33,288	155,822
Amount due to related parties in respect of finance lease agreements at period end	670,916	971,041
Other amounts due from related parties at period end	311,611	949,420

Key management personnel remuneration is disclosed in note 8. There is no other key management personnel remuneration.