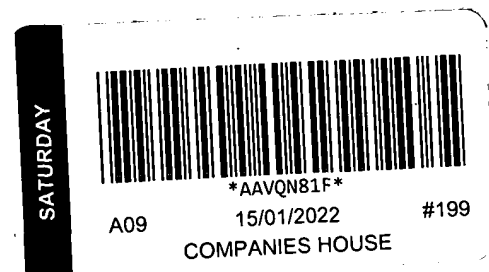


Limited Liability Partnership Registration No. OC391811 (England and Wales)

MITCHELL CHARLESWORTH LLP
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021



MITCHELL CHARLESWORTH LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members

T P Adcock
A C Birch
A L Buckley
M Buxton
R L Davies
P R Durrance
D J Frangleton
P L Griffiths
R J Hall
R W Johnson
A J Lavelle
A McGowan
J P D Oddie
P N Wainwright
L Whittaker

Limited liability partnership number

OC391811

Registered office

3rd Floor
5 Temple Square
Temple Street
Liverpool
Merseyside
L2 5RH

Auditors

Riverside Accountancy Lancaster Limited
Riverside Offices
Second Floor
26 St Georges Quay
Lancaster
LA1 1RD

Bankers

HSBC Bank plc
99-101 Lord Street
Liverpool
Merseyside
L2 6PG

MITCHELL CHARLESWORTH LLP

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MITCHELL CHARLESWORTH LLP

MEMBERS' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

The members present their annual report together with the audited financial statements of the LLP and the group for the year ended 30 April 2021.

Principal activity

The principal activity of the LLP and the group continues to be the provision of a wide range of professional tax, audit, accounting, corporate finance, restructuring, corporate recovery and financial services to both businesses and individuals. During the year these services were delivered from four branches based in the North West of England.

Review of the business

The attached financial statements record the results of the group for the year ended 30 April 2021.

As with many businesses in the UK the Coronavirus pandemic (Covid-19) has represented a challenge, unprecedented in modern times.

At the start of the outbreak, when there was extreme uncertainty, we quickly mobilised staff to work from home whilst keeping a small presence in each of the offices. We also focussed on maintaining a strong liquidity position to sustain the business throughout the crisis. As time has progressed the offices are now fully open and a flexible working from home policy has also been introduced as we recognise the benefits it brings to both the business and its staff.

Our ability to adapt to the changing circumstances has meant the Practice remains strong financially and is well placed to continue to invest in both staffing and infrastructure in order to implement and deliver its strategic plan.

Throughout the pandemic our main priority has been, and continues to be, to help our clients when they need us most. The provision of excellent client service is at the core of our values and the tremendous commitment and attitude of our people is key to the day to day service delivery and the continued success of the group.

Results for the year and allocation to members

The profit for the year available for distribution to members was £2,649,597 (2020: £2,084,009).

Designated Members

The following designated members held office throughout the year to 30 April 2021, other than as noted below:

T P Adcock
M Armstrong (resigned 31 March 2021)
A C Birch
A L Buckley
M Buxton
R L Davies
P R Durrance
D J Frangleton
P L Griffiths
R J Hall
R W Johnson
A J Lavelle
A McGowan
J P D Oddie
P N Wainwright
L Whittaker

MITCHELL CHARLESWORTH LLP

MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Policy on members' drawings and subscription and repayment of amounts subscribed or otherwise contributed by members

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements in accordance with the members' agreement. The members' drawings policy allows each member to draw monthly a proportion of their anticipated profit share for the year net of a tax retention, with the balance of profits being distributed after the year, subject to the cash requirements of the business.

All members are required to contribute capital by way of loan, the amount of the loan being determined by reference to the member's share of profit and the financing requirement of the LLP. Members' loans are repaid on or after retirement. In accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", members' capital is included in within "loans and other debts due to members" and is determined by the working capital requirements of the LLP.

Statement of members' responsibilities

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

Company law, as applied to limited liability partnerships, 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, as applied to limited liability partnerships, 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 the group and of the profit or loss of the group for that year. In preparing those financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership and group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership and group's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and group 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 the group 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 Group's auditors are unaware, and that member has taken all 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 Group's auditors are aware of that information.

MITCHELL CHARLESWORTH LLP

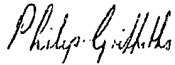
MEMBERS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Independent auditors

Riverside Accountancy Lancaster Limited were appointed auditor to the limited liability partnership and Group and in accordance with section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), a resolution proposing that they be re-appointed will be put at a General Meeting.

This report was approved by the members on 2 December 2021 and signed on their behalf by:



P L Griffiths
Designated Member



A J Lavelle
Designated Member

MITCHELL CHARLESWORTH LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MITCHELL CHARLESWORTH LLP

Opinion

We have audited the financial statements of Mitchell Charlesworth LLP (the 'parent limited liability partnership') and its subsidiaries (the 'Group') for the year ended 30 April 2021 which comprise the consolidated statement of comprehensive income, the consolidated and LLP balance sheets, the consolidated statement of cash flows, the consolidated and LLP statement of changes in members' interests and notes to the financial statements, 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 FRS 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 Group and parent limited liability partnership's affairs as at 30 April 2021 and of the Group's profit for the year 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and parent limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Group or parent limited liability partnership'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.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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, except to the extent otherwise explicitly stated in our report, 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.

MITCHELL CHARLESWORTH LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MITCHELL CHARLESWORTH LLP

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 by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent limited liability partnership's 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 2, 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 Group and parent limited liability partnership'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 limited liability partnership or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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:

- The financial statements have been reviewed in conjunction with an FRS102 checklist to ensure the entity is complying with the correct framework
- Review of member's minutes and review of nominal postings for legal and professional fees ensured we identified any regulatory compliance issues and laws that the LLP must follow in the year and to the date of signing the financial statements
- The assessment of fraud was considered as low due to the segregation of duties and trivial levels of cash handled
- During the audit we speak to management, test the systems and speak to various members of the finance function to understand the entity and its processes and assess the nature of its transactions to ensure they are not outside the normal course of business

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation

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

MITCHELL CHARLESWORTH LLP

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MITCHELL CHARLESWORTH LLP

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 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. Our audit work has been undertaken so that we might state to the limited liability partnership's members those matters we are required to state to them in an auditor's 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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Lyndsay Nicholson

Lyndsay Nicholson ACA (Senior Statutory Auditor)

for and on behalf of Riverside Accountancy Lancaster Limited

2 December 2021

**Chartered Accountants
Statutory Auditor**

**Riverside Offices
Second Floor
26 St Georges Quay
Lancaster
LA1 1RD**

MITCHELL CHARLESWORTH LLP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2021

		2021	2020
	Notes	£	£
Turnover	3	9,582,733	9,440,109
Other operating income		272,577	64,298
		<hr/>	<hr/>
		9,855,310	9,504,407
Other external charges		(262,947)	(238,679)
Staff costs		(4,846,951)	(4,833,293)
Depreciation and amortisation		(191,009)	(213,537)
Other operating expenses		(1,796,598)	(2,023,343)
		<hr/>	<hr/>
Operating profit	4	2,757,805	2,195,555
Interest receivable and similar income	6	54	111
Interest payable and similar charges	7	(38,849)	(61,007)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		2,719,010	2,134,659
Tax on profit on ordinary activities	8	(68,942)	(60,260)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		2,650,068	2,074,399
Minority interest		(471)	9,610
		<hr/>	<hr/>
Profit for the financial year before members' remuneration and profit shares		2,649,597	2,084,009
		<hr/>	<hr/>
Profit for the financial year before members' remuneration and profit shares		2,649,597	2,084,009
Members' remuneration charged as an expense		(2,377,103)	(1,868,894)
		<hr/>	<hr/>
Retained profit for the financial year available for discretionary division among members		272,494	215,115
		<hr/>	<hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

CONSOLIDATED BALANCE SHEET

AS AT 30 APRIL 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Goodwill			230,226		280,298
Other intangible assets			32,807		73,870
Total intangible assets	11		263,033		354,168
Tangible assets	12		224,859		152,408
			487,892		506,576
Current assets					
Stocks and work in progress		13,185		13,502	
Debtors	14	4,324,243		4,372,073	
Cash at bank and in hand		736,186		372,755	
		5,073,614		4,758,330	
Creditors: amounts falling due within one year	15	(2,155,803)		(2,541,294)	
Net current assets			2,917,811		2,217,036
Total assets less current liabilities			3,405,703		2,723,612
Creditors: amounts falling due after more than one year	16		(359,980)		(252,549)
NET ASSETS ATTRIBUTABLE TO MEMBERS			3,045,723		2,471,063
REPRESENTED BY:					
Loans and other debts due to members					
Members' capital classified as a liability	19		1,316,280		1,330,280
Other amounts	19		1,676,119		972,771
			2,992,399		2,303,051
Members' other interests					
Other reserves classified as equity			73,940		187,166
			3,066,339		2,490,217
Minority interest			(20,616)		(19,154)
			3,045,723		2,471,063

MITCHELL CHARLESWORTH LLP

CONSOLIDATED BALANCE SHEET (CONTINUED)

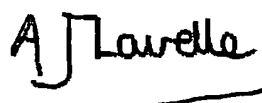
AS AT 30 APRIL 2021

		2021	2020
	Notes	£	£
TOTAL MEMBERS' INTERESTS			
Loans and other debts due to members	19	2,992,399	2,303,051
Members' other interests		73,940	187,166
		<hr/>	<hr/>
		3,066,339	2,490,217
Minority interest		(20,616)	(19,154)
		<hr/>	<hr/>
		3,045,723	2,471,063
		<hr/>	<hr/>

Approved by the members and authorised for issue on 2 December 2021 and signed on their behalf by the following designated members:



P L Griffiths
Designated Member



A J Lavelle
Designated Member

Limited Liability Partnership Registration No. OC391811

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

LLP BALANCE SHEET

AS AT 30 APRIL 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Goodwill			230,226		280,298
Other intangible assets			29,195		69,226
Total intangible assets	11		259,421		349,524
Tangible assets	12		220,344		148,913
Investments	13		43,000		43,000
			522,765		541,437
Current assets					
Stocks		12,927		13,290	
Debtors	14	4,208,255		4,190,841	
Cash at bank and in hand		204,460		2,376	
		4,425,642		4,206,507	
Creditors: amounts falling due within one year	15	(1,726,920)		(2,302,748)	
Net current assets			2,698,722		1,903,759
Total assets less current liabilities			3,221,487		2,445,196
Creditors: amounts falling due after more than one year	16	(359,980)		(252,549)	
NET ASSETS ATTRIBUTABLE TO MEMBERS			2,861,507		2,192,647
REPRESENTED BY:					
Loans and other debts due to members					
Members' capital classified as a liability	19		1,316,280		1,330,280
Other amounts	19		1,545,227		862,367
			2,861,507		2,192,647

The LLP's profit for the financial year before members' remuneration and profit shares available for discretionary division among members for the year ended 30 April 2021 was £2,742,335 (2020: £1,919,890).

Approved by the members and authorised for issue on 2 December 2021 and signed on their behalf by the following designated members:

P L Griffiths

P L Griffiths
Designated Member

A J Lavelle

A J Lavelle
Designated Member

Limited Liability Partnership Registration No. OC391811

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' INTERESTS

FOR THE YEAR ENDED 30 APRIL 2021

Current financial year

	EQUITY		DEBT		TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Other reserves	Members' capital (classified as debt)	Other amounts	Total	Total 2021
	£	£	£	£	£
Amount due to members			972,771		
Members' interests at 1 May 2020	187,166	1,330,280	972,771	2,303,051	2,490,217
Members' remuneration charged as an expense including employment costs and retirement benefit costs	-	-	2,377,103	2,377,103	2,377,103
Profit for the financial year available for discretionary division among members	272,494	-	-	-	272,494
Members' interests after profit for the year	459,660	1,330,280	3,349,874	4,680,154	5,139,814
Introduced by members	-	34,000	-	34,000	34,000
Repayment of debt (including members' capital classified as a liability)	-	(22,967)	-	(22,967)	(22,967)
Drawings and other distributions	-	-	(1,700,121)	(1,700,121)	(1,700,121)
Other movements	(385,720)	(25,033)	26,366	1,333	(384,387)
Members' interests at 30 April 2021	73,940	1,316,280	1,676,119	2,992,399	3,066,339
Amounts due to members			1,676,119		

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

CONSOLIDATED STATEMENT OF CHANGES IN MEMBERS' INTERESTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Prior financial year

	EQUITY			DEBT			TOTAL
	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors			MEMBERS' INTERESTS
	Revaluation reserve	Other reserves	Total	Members' capital (classified as debt)	Other amounts	Total	Total 2020
	£	£	£	£	£	£	£
Amount due to members					689,193		
Members' interests at 1 May 2019	35,000	81,451	116,451	1,304,280	689,193	1,993,473	2,109,924
Members' remuneration charged as an expense including employment costs and retirement benefit costs	-	-	-	-	1,868,894	1,868,894	1,868,894
Profit for the financial year available for discretionary division among members	-	215,115	215,115	-	-	-	215,115
Members' interests after profit and remuneration for the year	35,000	296,566	331,566	1,304,280	2,558,087	3,862,367	4,193,933
Introduced by members	-	-	-	26,000	-	26,000	26,000
Drawings and other distributions	-	-	-	-	(1,622,107)	(1,622,107)	(1,622,107)
Other movements	(35,000)	(109,400)	(144,400)	-	36,791	36,791	(107,609)
Members' interests at 30 April 2020	-	187,166	187,166	1,330,280	972,771	2,303,051	2,490,217
Amounts due to members					972,771		

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

LLP STATEMENT OF CHANGES IN MEMBERS' INTERESTS

FOR THE YEAR ENDED 30 APRIL 2021

Current financial year

	EQUITY		DEBT		TOTAL
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Other reserves	Members' capital (classified as debt)	Other amounts	Total	Total 2021
	£	£	£	£	£
Amount due to members			862,367		
Members' interests at 1 May 2020	-	1,330,280	862,367	2,192,647	2,192,647
Members' remuneration charged as an expense including employment costs and retirement benefit costs	-	-	2,356,615	2,356,615	2,356,615
Profit for the financial year available for discretionary division among members	385,720	-	-	-	385,720
Members' interests after profit and remuneration for the year	385,720	1,330,280	3,218,982	4,549,262	4,934,982
Introduced by members	-	34,000	-	34,000	34,000
Repayment of debt (including members' capital classified as a liability)	-	(22,967)	-	(22,967)	(22,967)
Drawings and other distributions	-	-	(1,700,121)	(1,700,121)	(1,700,121)
Other movements	(385,720)	(25,033)	26,366	1,333	(384,387)
Members' interests at 30 April 2021	-	1,316,280	1,545,227	2,861,507	2,861,507
Amounts due to members			1,545,227		

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

LLP STATEMENT OF CHANGES IN MEMBERS' INTERESTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Prior financial year

	EQUITY Members' other interests			DEBT Loans and other debts due to members less any amounts due from members in debtors			TOTAL MEMBERS' INTERESTS
	Revaluation reserve	Other reserves	Total	Members' capital (classified as debt)	Other amounts	Total	Total 2020
	£	£	£	£	£	£	£
Amount due to members					637,193		
Members' interests at 1 May 2019	35,000	-	35,000	1,304,280	637,193	1,941,473	1,976,473
Members' remuneration charged as an expense including employment costs and retirement benefit costs	-	-	-	-	1,810,490	1,810,490	1,810,490
Profit for the financial year available for discretionary division among members	-	109,400	109,400	-	-	-	109,400
Members' interests after profit and remuneration for the year	35,000	109,400	144,400	1,304,280	2,447,683	3,751,963	3,896,363
Introduced by members	-	-	-	26,000	-	26,000	26,000
Drawings and other distributions	-	-	-	-	(1,622,107)	(1,622,107)	(1,622,107)
Other movements	(35,000)	(109,400)	(144,400)	-	36,791	36,791	(107,609)
Members' interests at 30 April 2020	-	-	-	1,330,280	862,367	2,192,647	2,192,647
Amounts due to members					862,367		

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	23	2,965,774	2,970,106
Interest paid		(38,849)	(61,007)
Tax paid		(60,999)	(52,977)
Net cash inflow from operating activities		2,865,926	2,856,122
Investing activities			
Purchase of intangible assets		-	(22,329)
Purchase of tangible fixed assets		(172,325)	(39,187)
Proceeds on disposal of tangible fixed assets		-	188,251
Interest received		54	111
Net cash used in investing activities		(172,271)	126,846
Financing activities			
Capital introduced by members (classified as debt or equity)		34,000	26,000
Repayment of capital or debt to members		(22,967)	-
Distribution paid to members		(1,700,121)	(1,622,107)
Other transactions with members		(384,389)	33,051
Payments to former members		(128,110)	(168,098)
Repayment of borrowings		(117,217)	(23,444)
Proceeds from new bank loan		250,000	-
Repayment of bank loans		(88,801)	(211,908)
Payment of finance lease obligations		(13,218)	(2,203)
Net cash used in financing activities		(2,170,823)	(1,968,709)
Net increase in cash and cash equivalents		522,832	1,014,259
Cash and cash equivalents at beginning of year		213,354	(800,905)
Cash and cash equivalents at end of year		736,186	213,354
Relating to:			
Cash at bank and in hand		736,186	372,755
Bank overdrafts included in creditors payable within one year		-	(159,401)

The notes on pages 16 to 31 form part of these financial statements.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Limited liability partnership information

Mitchell Charlesworth LLP is a limited liability partnership incorporated in England and Wales. The registered office is 3rd Floor, 5 Temple Square, Temple Street, Liverpool, Merseyside, L2 5RH.

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

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ('FRS 102'), Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships.

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 individual financial statements of the LLP have adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instruments disclosures including:
 - categories of financial instruments
 - items of income, expenses, gains or losses relating to financial instruments, and
 - exposure to and management of financial risks.

1.2 Basis of consolidation

The consolidated statement of comprehensive income and balance sheet include the financial statements of the limited liability partnership and its subsidiary undertakings made up to 30 April 2021. The results of subsidiaries sold or acquired are included in the statement of comprehensive income up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

A subsidiary is an entity controlled by the LLP. Control is achieved where the LLP has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

1.3 Going concern

At the time of approving the financial statements and having due regard to the impact of Covid-19 as referred to in the members' report, the members have a reasonable expectation that the limited liability partnership and group have adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies continued

1.4 Turnover

Professional services

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

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

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

Insurance services

Income earned from insurance services represents brokerage and fees receivable. It is recognised at the later of, the policy inception date or when the policy placement has been completed or confirmed. Income from brokerage and fees on adjustment premiums are recognised on a periodic basis when the consideration is confirmed by third parties.

Other fees receivable are recognised in the period to which they relate or when they can be measured with reasonable certainty.

1.5 Goodwill

Goodwill is the difference between amounts estimated to be paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is written off over its estimated useful economic life.

1.6 Intangible fixed assets other than goodwill

Software is included at cost less amortisation.

Amortisation 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:

Software	4 years straight line
----------	-----------------------

1.7 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Leasehold property	term of the lease
Computer equipment	2 - 8 years straight line
Fixtures, fittings & equipment	3 - 10 years straight line

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies continued

1.8 Fixed asset investments

Fixed asset investments represent investment in equity shares of subsidiary undertakings and are stated at cost less provision for diminution in value.

1.9 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible and intangible 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.

1.10 Cash and cash equivalents

Cash and cash equivalents 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.

1.11 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 publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies continued

1.11 Financial instruments 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.

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 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.

1.12 Insurance debtors and creditors

As a business that acts as agent in broking the insurable risks of clients it normally is not liable as a principal for premiums due to underwriters or for claims payable to clients. Notwithstanding the legal relationship with clients and underwriters, generally accepted accounting practice for insurance brokers are followed by showing debtors, creditors and cash balances relating to insurance business as assets and liabilities of the company itself. This recognises that the insurance business is entitled to retain the investment income on any cash flows arising from these transactions.

In the ordinary course for insurance broking business, settlement is required to be made with certain market settlement bureaux, insurance intermediaries or insurance companies on the basis of the net balance due to or from them rather than the amount due to or from the individual third parties which it represents.

However under FRS 102 assets and liabilities may not be offset unless net settlement is legally enforceable and, therefore, insurance debtors and creditors are shown gross within these financial statements.

1.13 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.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies continued

1.14 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.

1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.16 Pensions

The group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.18 Taxation

The taxation payable on the LLP's profits is a personal liability of the members during the year. Consequently no taxation in relation to the partnership is accounted for in these financial statements. Some of the companies included within these financial statements are subject to corporation tax based on their profits for the financial year.

1.19 Deferred taxation

Deferred taxation is provided in full in respect of taxation of the subsidiary companies that is deferred by temporary timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised where recoverability is reasonably certain.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies continued

1.20 Post retirement payments to former members

The LLP has a contractual obligation to provide certain former partners of its predecessor firm, Mitchell Charlesworth Partnership, with annuities following their retirement.

The obligations for all annuities rests with the members and in accordance with the requirements of the SORP, the financial statements include obligations for retirement annuities payable in the future to retired partners.

On retirement from the LLP members become entitled to receive payments in respect of goodwill provided certain conditions are met. Such payments are spread over five years following retirement and are provided in full at the point the LLP loses any discretion to withhold payment.

1.21 Members' participation rights

Members' participation rights are the rights of a member against the Limited Liability Partnership 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 Limited Liability Partnership are analysed between those that are, from the Limited Liability Partnership's perspective, either a financial liability or equity. A members' participation right results in a liability unless the right to any payment is discretionary on the part of the Limited Liability Partnership.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the Limited Liability Partnership has an unconditional right to refuse payment to members. If the Limited Liability Partnership does not have such an unconditional right such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the Limited Liability Partnership does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the profit and loss account in the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities in the balance sheet.

Conversely, where profits are divided only after a decision by the Limited Liability Partnership or its representative, so that the Limited Liability Partnership has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the profit and loss account and are equity appropriations in the balance sheet.

Other amounts applied to members, for example, remuneration paid under an employment contract and interest on capital balances are treated in the same way as all other divisions of profits, as described above, according to whether the Limited Liability Partnership has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the balance sheet within 'Loans and other debts due to members' and are charged to the profit and loss account within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the balance sheet within 'Members' other interests'.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

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.

The principal estimates and judgements that could have a significant effect upon the Group's financial results relate to the value of unbilled revenue of client assignments, receivables valuation, provisions in respect of client claims, the fair value of investments and goodwill impairment. Where appropriate present values are calculated using discount rates reflecting the currency and maturity of the items being valued. Further details of estimates and judgements as set out in the related notes to the financial statements.

3 Turnover

The whole of the turnover is attributable to the group's principal activities. All turnover arose within the United Kingdom.

4 Operating profit

	2021	Group 2020
	£	£
Operating profit is stated after charging/(crediting):		
Government grants	(272,577)	(64,298)
Amortisation of intangible assets	91,135	97,610
Depreciation of tangible assets	99,874	115,927
Operating lease rentals	209,108	230,512
Auditor's remuneration (including expenses and benefits in kind)	16,950	18,018

The auditor's remuneration for the audit of the LLP and consolidated financial statements is £8,000 (2020: £8,068).

5 Profit for the financial year

The LLP has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and Loss Account.

The profit for the year before members' remuneration dealt with in the accounts of the LLP is disclosed on the LLP balance sheet.

6 Interest receivable and similar income

	2021	Group 2020
	£	£
Bank interest	54	111

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

7 Interest payable and similar charges

	Group	
	2021	2020
	£	£
Interest on bank overdrafts and loans	17,170	41,128
Other interest	20,439	19,362
Interest on finance leases and hire purchase contracts	1,240	517
	<u>38,849</u>	<u>61,007</u>

8 Tax on profit on ordinary activities

	Group	
	2021	2020
	£	£
Domestic current tax		
U.K. corporation tax	<u>68,942</u>	<u>60,260</u>
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	2,719,010	2,134,659
Less profits subject to personal tax	<u>(2,377,103)</u>	<u>(1,868,894)</u>
	<u>341,907</u>	<u>265,765</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2020 – 19%)	<u>64,962</u>	<u>50,495</u>
Effects of:		
Non deductible expenses	613	251
Depreciation in excess of capital allowances	2	(757)
Unutilised tax losses carried forward	3,365	11,009
Adjustment in respect of prior year	-	(738)
	<u>68,942</u>	<u>60,260</u>

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

9 Employees

The average monthly number of employees during the year was:

	Group	
	2021	2020
	Number	Number
	156	164

Employment costs

	Group	
	2021	2020
	£	£
Wages and salaries	4,315,082	4,313,702
Social security costs	400,975	395,478
Other pension costs	130,894	124,113
	<u>4,846,951</u>	<u>4,833,293</u>

10 Information in relation to members

	Group	
	2021	2020
	£	£
Remuneration to members charged as an expense	<u>2,377,103</u>	<u>1,868,894</u>

	Group	
	2021	2020
	Number	Number
The average number of members during the year was:	<u>16</u>	<u>16</u>

The largest entitlement to profit for any member for the year was £343,037 (2020: £214,362).

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

11 Intangible fixed assets

	Group			LLP		
	Goodwill £	Software £	Total £	Goodwill £	Software £	Total £
Costs						
At 1 May 2020	597,659	333,363	931,022	510,192	327,956	838,148
Additions	-	-	-	-	-	-
Disposals	-	(7,588)	(7,588)	-	(7,341)	(7,341)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2021	597,659	325,775	923,434	510,192	320,615	830,807
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Amortisation						
At 1 May 2020	317,361	259,493	576,854	229,894	258,730	488,624
Charge for the year	50,072	41,063	91,135	50,072	40,031	90,103
Disposals	-	(7,588)	(7,588)	-	(7,341)	(7,341)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2021	367,433	292,968	660,401	279,966	291,420	571,386
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net book value						
At 30 April 2021	<u>230,226</u>	<u>32,807</u>	<u>263,033</u>	<u>230,226</u>	<u>29,195</u>	<u>259,421</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2020	<u>280,298</u>	<u>73,870</u>	<u>354,168</u>	<u>280,298</u>	<u>69,226</u>	<u>349,524</u>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

12 Tangible fixed assets

	Group			LLP		
	Computer equipment £	Fixtures, fittings & equipment £	Total £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost or valuation						
At 1 May 2020	429,595	466,171	895,766	429,595	459,052	888,647
Additions	71,840	100,485	172,325	71,840	97,056	168,896
Disposals	(111,974)	(135,723)	(247,697)	(111,974)	(134,404)	(246,378)
At 30 April 2021	389,461	430,933	820,394	389,461	421,704	811,165
Depreciation						
At 1 May 2020	313,134	430,224	743,358	313,134	426,600	739,734
Charge for the year	81,703	18,171	99,874	81,703	15,762	97,465
On disposals	(111,974)	(135,723)	(247,697)	(111,974)	(134,404)	(246,378)
At 30 April 2021	282,863	312,672	595,535	282,863	307,958	590,821
Net book value						
At 30 April 2021	106,598	118,261	224,859	106,598	113,746	220,344
At 30 April 2020	116,461	35,947	152,408	116,461	32,452	148,913

13 Fixed asset investments LLP

	Shares in subsidiary undertakings £
Cost	
At 1 May 2020 and 30 April 2021	43,000
Net book value	
At 1 May 2019 and 30 April 2020	43,000

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

14 Debtors

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	2,424,827	2,414,743	2,410,786	2,389,993
Amounts recoverable on contracts	1,293,406	1,306,416	1,293,406	1,306,416
Amounts owed by subsidiary undertakings	-	-	9,362	4,589
Other debtors	116,616	170,407	22,098	28,120
Prepayments and accrued income	489,394	480,507	472,603	461,723
	<u>4,324,243</u>	<u>4,372,073</u>	<u>4,208,255</u>	<u>4,190,841</u>

15 Creditors: amounts falling due within one year

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts	101,233	265,132	101,233	265,132
Obligations under finance leases	13,218	13,218	13,218	13,218
Other borrowings	-	117,217	-	117,217
Trade creditors	440,153	530,753	369,033	439,829
Amounts owed to subsidiary undertakings	-	-	255,773	633,632
Taxes and social security costs	784,114	900,091	268,623	206,428
Post retirement payments to former members	48,458	73,459	48,458	73,459
Other creditors	373,503	416,798	347,717	396,499
Accruals and deferred income	395,124	224,626	322,865	157,334
	<u>2,155,803</u>	<u>2,541,294</u>	<u>1,726,920</u>	<u>2,302,748</u>

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

16 Creditors: amounts falling due after more than one year

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	270,057	104,360	270,057	104,360
Obligations under finance leases	7,711	20,929	7,711	20,929
Post retirement payments to former members	82,212	127,260	82,212	127,260
	<u>359,980</u>	<u>252,549</u>	<u>359,980</u>	<u>252,549</u>

Group and LLP

	2021	2020
	£	£
Analysis of loans		
Wholly repayable within five years	371,290	327,308
Included in current liabilities	(101,233)	(222,948)
	<u>270,057</u>	<u>104,360</u>
Loan maturity analysis		
In more than one year but not more than two years	92,256	41,652
In more than two years but not more than five years	<u>177,801</u>	<u>62,708</u>

The bank loans and overdrafts included above are secured by a mortgage debenture and a fixed and floating charge over the assets of the limited liability partnership.

Bank loan interest is charged at the Bank of England base rate plus an agreed margin.

17 Finance lease obligations

Finance lease payments represent rentals payable by the limited liability partnership for certain items of equipment. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

18 Financial instruments

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	2,541,443	2,585,150	2,432,887	2,418,113
Equity instruments measured at cost less impairment	-	-	43,000	43,000
Carrying amount of financial liabilities				
Measured at amortised cost	1,336,545	1,669,126	1,495,412	2,191,535

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial instruments that are debt instruments measured at amortised cost comprise trade debtors and other debtors.

Financial assets that are equity instruments measured at cost less impairment comprise of fixed asset investments.

Financial liabilities measured at amortised cost comprise bank overdrafts, other loans, trade creditors and other creditors.

19 Loans and other debts due to members

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Members' capital classified as a liability	1,316,280	1,330,280	1,316,280	1,330,280
Other amounts	1,676,119	972,771	1,545,227	862,367
	<u>2,992,399</u>	<u>2,303,051</u>	<u>2,949,173</u>	<u>2,192,647</u>

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

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Falling due within one year	711,066	392,980	711,066	392,980
Falling due after one year	2,281,333	1,910,071	2,150,441	1,799,667
	<u>2,992,399</u>	<u>2,303,051</u>	<u>2,861,507</u>	<u>2,192,647</u>

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

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

20 Operating lease commitments

At 30 April 2021 the Group and LLP had commitments under non-cancellable operating leases as follows:

	Group		LLP	
	2021	2020	2021	2020
	£	£	£	£
Amounts payable:				
Within one year	161,458	163,942	-	-
Between one and five years	515,511	426,175	-	-

21 Subsidiaries

Details of the limited liability partnership's subsidiaries at 30 April 2021 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held
Go4 Pay Limited England and Wales	Dormant	Ordinary	100
MC Vanguard Corporate Finance Limited England and Wales	Corporate finance services	Ordinary	80
MC Wealth Management (UK) Limited England and Wales	Financial services	Ordinary	100
Mitchell Charlesworth Insurance Solutions Limited England and Wales	Insurance broker	Ordinary	90
Mitchell Charlesworth (Services) Limited England and Wales	Provision of personnel and other services	Ordinary	100
Mitchell Charlesworth Wealth Management Limited England and Wales	Dormant	Ordinary	100

22 Analysis of changes in net debt

	1 May 2020	Cash flows	New loans	30 April 2021
	£	£	£	£
Cash at bank and in hand	372,755	363,431	-	736,186
Bank overdrafts	(159,401)	159,401	-	-
	213,354	522,832	-	736,186
Borrowings excluding overdrafts	(327,308)	206,018	(250,000)	(371,290)
Obligations under finance leases	(34,147)	13,218	-	(20,929)
Balances before members' debt	(148,101)	742,068	(250,000)	343,967
Loans and other debts due to members:				
- Members' capital	(1,330,280)	14,000	-	(1,316,280)
- Other amounts due to members	(972,771)	(703,348)	-	(1,676,119)
Balances including members' debt	(2,451,152)	52,720	(250,000)	(2,648,432)

MITCHELL CHARLESWORTH LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

23 Cash generated from operations

	2021 £	2020 £
Profit for the year	2,650,068	2,074,399
Adjustment for:		
Finance costs recognised in profit	38,849	61,007
Investment income recognised in profit	(54)	(111)
Tax on profit on ordinary activities	68,942	60,260
Profit on disposal of fixed assets	-	(37,929)
Amortisation of intangible assets	91,135	97,610
Depreciation of tangible fixed assets	99,874	115,927
Post retirement payments to former members	3,411	(14,566)
Movements in working capital:		
Decrease in stocks and work in progress	317	1,700
Decrease in debtors	47,830	109,928
(Decrease)/Increase in creditors	(34,598)	501,881
Cash generated from operations	2,965,774	2,970,106

24 Control

The ultimate controlling parties are deemed to be the members of the LLP. Day to day control is delegated to a management committee and as such there is no one controlling party.

25 Related party transactions

The LLP has taken advantage of exemptions available not to disclose transactions arising with 100% subsidiaries.

MC Vanguard Corporate Finance Limited is an 80% owned subsidiary undertaking of the LLP. During the year the LLP and its wholly owned subsidiaries provided goods and services to the company for the sum of £Nil (2020 - £2,506).

Mitchell Charlesworth Insurance Solutions Limited is a 90% owned subsidiary of the LLP. During the year the LLP provided goods and services to the company for the sum of £1,701 (2020: £3,150). The company also provided intermediary broking services to the LLP, the value of the insurance premiums on those policies was £12,890 (2020: £12,507).

Included in creditors: amounts falling due within one year is £294,095 (2020: £294,095) due to the wives of 3 (2020: 3) members of the LLP. The loans are unsecured and repayable on demand, interest is payable at 3.5% above base rate.

26 Events after the end of the reporting period

On 29 July 2021 Mitchell Charlesworth (Services) Limited, a subsidiary of Mitchell Charlesworth LLP, entered in to a non-cancellable operating lease. The total commitment over the next five years is £162,000.