

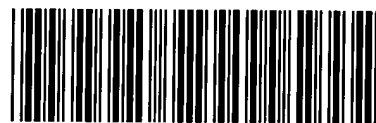
Allies and Morrison LLP

Annual report and consolidated financial statements

For the year ended 31 March 2021

Registered number: OC404597

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COMPANIES HOUSE

Information

Designated Members	E R Allies D G Amarasekera P A Appleton J H S Bacon C J Bearman S Fraser R Y Maxwell G Morrison A S Rifkin
LLP registered number	OC404597
Registered office	83-85 Southwark Street London SE1 0HX
Independent auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	The Royal Bank of Scotland Plc 6th Floor, 1 Princes Street London EC2R 8BP

Contents

	Page
Members' report	1 - 4
Independent auditor's report	5 - 8
Consolidated statement of comprehensive income	9
Consolidated statement of financial position	10 - 11
LLP statement of financial position	12
LLP statement of financial position	11
Consolidated reconciliation of members' interests	13
LLP reconciliation of members' interests	13
Consolidated statement of cash flows	15 - 16
Notes to the financial statements	17 - 29

Members' report incorporating the Energy and Carbon Report

For the year ended 31 March 2021

The members present their annual report together with the audited financial statements of Allies and Morrison LLP ('the LLP') and its subsidiary (together 'the group') for the year ended 31 March 2021.

Principal activities

The principal activities of the group are the provision of architectural, masterplanning, interior design, landscape architecture and urban planning services.

Designated members

The designated members who held office during the year were as follows:

E R Allies
G Morrison
D G Amrasekera
P A Appleton
J H S Bacon
C J Bearman
S Fraser
R Y Maxwell
A S Rifkin

Other members

The members who held office during the year were as follows:

A J Caraballo Hernandez
A Carulla
P Eaton
S A Gathercole
H Heyns
M J W Leigh
H M Logan
J L Syrett
A J Wraight

Members' capital and interests

Each member's subscription to the capital of the Limited Liability Partnership is determined by their share of profit and is repayable following retirement, from the LLP, on the leaving date.

The members' drawing policy allows each member to draw a proportion of their profit share, subject to the cash and financing requirements of the practice.

Details of changes in members' capital in the year ended 31 March 2021 are set out in the Reconciliation of members' interests.

Members' report incorporating the Energy and Carbon Report (continued)

For the year ended 31 March 2021

Streamlined energy and carbon reporting

Scope 1 and 2 emissions have been reported below, in addition to mandatory Scope 3 emissions. The current reporting year has been compared to the previous reporting year. Line items shown grey represent information that is out of our organisational scope.

Scope 1 items	Reporting year 2020/21	Previous year 2019/20
Fuels (i.e. gas)	54.45	52.88
Bioenergy	0.00	0.00
Refrigerants and other gases*	22.94	22.94
Passenger vehicles	0.00	0.00
Total Scope 1	77.39	75.82

Scope 2 items	Reporting year 2020/21	Previous year 2019/20
UK Electricity	151.09	215.09
UK Electricity for Evs	0.00	0.00
Total Scope 2	151.09	215.09

Scope 3 items	Reporting year 2020/21	Previous year 2019/20
Business travel - land**	1.22	34.29
Total Scope 3	1.22	34.29

Net Emissions (minus carbon offsetting):	229.7	325.2
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Intensity Ratio 1: tCO₂e/m² floor space	0.0585	0.0828
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* DEFRA UK guidance used to estimate leakage rates.

** GHG emissions associated with employee-owned vehicles only reported within this category. Carbon factors for average sized car and motorbike were used.

Quantification and reporting methodology

The UK Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (2015 revised edition) has been followed to provide the information within this report.

The UK Government's Conversion Factors for Company Reporting from each relevant year were used to calculate all GHG emissions shown.

Intensity measurement

A primary intensity metric of gross emissions in tonnes of CO₂e per metre squared of internal area (tCO₂e/m²) is used, as this is a common business metric for the industry sector.

Members' report incorporating the Energy and Carbon Report (continued)

For the year ended 31 March 2021

Energy efficiency actions

During the 2020/2021 financial year Allies and Morrison implemented the following energy efficiency actions to reduce energy consumption and GHG emissions:

- *Energy Investigation* – During the national lockdown period, the shutdown of our office systems enabled the energy management team to isolate and identify several sources of 'baseload' energy consumption. This includes plug-load equipment which provided substantial standby hours consumption
- *Purchasing policy* – We have created and implemented an office-wide purchasing policy that seeks to place energy efficiency as a key part of decision making for equipment purchasing above a specified cost threshold
- *Green energy renewal tariff* – Our London office has recently renewed our energy utilities tariff, continuing energy supply from 100% renewable sources
- *Office scoping audit* – External energy management consultants carried out a comprehensive energy audit of our office premises in September 2020. A series of recommendations for improvement were presented, which led to interventions such as BMS controls, IT equipment policy and a review of sub-metering

Members' report incorporating the Energy and Carbon Report (continued)

For the year ended 31 March 2021

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 the Group and of the profit or loss of the Group for that period.

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

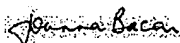
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

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 auditor is 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 Group's auditor is aware of that information.



J H S Bacon
Designated member
Date: 01/10/2021

Independent auditor's report to the members of Allies and Morrison LLP

For the year ended 31 March 2021

Opinion

We have audited the financial statements of Allies and Morrison LLP (the 'parent LLP') and its subsidiaries (together the 'group') for the year ended 31 March 2021, which comprise the group Statement of comprehensive income, the group and LLP Statements of financial position, the group and LLP Reconciliations of members' interests, the group Statement of cash flows, 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 group's and of the parent LLP's affairs as at 31 March 2021 and of the Group's loss 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 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 Group's or the parent 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.

Independent auditor's report to the members of Allies and Morrison LLP (continued)

For the year ended 31 March 2021

Other information

The members are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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

In the light of the knowledge and understanding of the group and the parent LLP and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Members' report.

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 by the parent LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent LLP 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 4, 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's and the parent 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 group or the parent LLP or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Allies and Morrison LLP (continued)

For the year ended 31 March 2021

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 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 Group 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Senior Statutory Auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we made enquiries of management as to where they considered there was susceptibility to fraud, and their knowledge of actual, suspected and alleged fraud;
- we identified the laws and regulations that could reasonably be expected to have a material effect on the financial statements of the group and LLP through discussions with members and other management at the planning stage;
- the audit team held a discussion to identify any particular areas that were considered to be susceptible to misstatement, including with respect to fraud and non-compliance with laws and regulations; we considered the impact of COVID-19 on the group and LLP and its internal controls;
- we focused our planned audit work on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and LLP including Companies Act 2006, as applied to LLPs and taxation legislation; and
- we considered the impact of Brexit on the group and the LLP and the laws and regulations above.

We assessed the extent of compliance with the laws and regulations identified above through:

- making enquiries of management;
- inspecting legal expenditure and correspondence throughout the year for any potential litigation or claims; and
- considering the internal controls in place that are designed to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- determined the susceptibility of the group and LLP to management override of controls by checking the implementation of controls and enquiring of individuals involved in the financial reporting process, taking into account the impact of COVID-19 on controls during the year;
- reviewed journal entries throughout the year to identify unusual transactions;
- performed analytical procedures to identify any large, unusual or unexpected transactions and investigated any large variances from the prior period;
- reviewed accounting estimates and evaluated where judgements or decisions made by management indicated bias on the part of the group's and LLP's management; and
- carried out substantive testing to check the occurrence and cut-off of expenditure.

Independent auditor's report to the members of Allies and Morrison LLP (continued)

For the year ended 31 March 2021

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the Group and LLP's legal advisors.

There are inherent limitations in our audit procedures described above. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error as they may involve deliberate concealment or collusion. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the members and other management and the inspection of regulatory and legal correspondence, if any.

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 Auditor's report.

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 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 LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Claire Watkins (Senior statutory auditor)
for and on behalf of
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 05 October 2021

Consolidated statement of comprehensive income

For the year ended 31 March 2021

	Note	2021 £	2020 £
Turnover	4	35,178,621	39,104,751
Cost of sales		(20,524,221)	(24,573,634)
Gross profit		14,654,400	14,531,117
Administrative expenses		(8,077,366)	(7,923,872)
Other operating income	5	424,107	153,405
Operating profit	6	7,001,141	6,760,650
Interest receivable and similar income	10	3,835	22,431
Interest payable and expenses	11	(201)	-
Profit for the year before members' remuneration and profit shares		7,004,775	6,783,081
Profit for the year before members' remuneration and profit shares		7,004,775	6,783,081
Members' remuneration charged as an expense		(7,030,812)	(6,773,916)
(Loss)/profit for the financial year available for discretionary division among members		(26,037)	9,165
Total comprehensive income for the year	14	(26,037)	9,165

There were no recognised gains and losses for 2021 or 2020 other than those included in the consolidated statement of comprehensive income.

The notes on pages 17 to 29 form part of these financial statements.

Consolidated statement of financial position

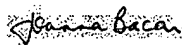
As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	191,262	185,347
Tangible assets	13	2,720,321	2,986,814
		<u>2,911,583</u>	<u>3,172,161</u>
Current assets			
Debtors: amounts falling due within one year	15	9,750,589	10,183,460
Cash at bank and in hand	16	6,668,581	4,647,787
		<u>16,419,170</u>	<u>14,831,247</u>
Creditors: amounts falling due within one year	17	(8,501,958)	(8,529,578)
Net current assets		<u>7,917,212</u>	<u>6,301,669</u>
Total assets less current liabilities		<u>10,828,795</u>	<u>9,473,830</u>
Creditors: amounts falling due after more than one year	18	(298,043)	-
Net assets		<u>10,530,752</u>	<u>9,473,830</u>
Capital and reserves			
Loans and other debts due to members within one year			
Members' capital classified as a liability		1,876,498	1,876,498
Other amounts	20	8,671,126	7,588,167
		<u>10,547,624</u>	<u>9,464,665</u>
Members' other interests			
Other reserves classified as equity		(16,872)	9,165
		<u>10,530,752</u>	<u>9,473,830</u>
Total members' interests			
Loans and other debts due to members	20	10,547,624	9,464,665
Members' other interests		(16,872)	9,165
		<u>10,530,752</u>	<u>9,473,830</u>

Consolidated statement of financial position (continued)

As at 31 March 2021

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



J H S Bacon

Designated member

Date: 01/10/2021

The notes on pages 17 to 29 form part of these financial statements.

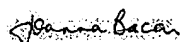
LLP statement of financial position

As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	191,262	185,347
Tangible assets	13	2,719,790	2,986,060
Investments	14	89	89
		<u>2,911,141</u>	<u>3,171,496</u>
Current assets			
Debtors: amounts falling due within one year	15	9,800,032	10,228,883
Cash at bank and in hand	16	6,668,581	4,647,787
		<u>16,468,613</u>	<u>14,876,670</u>
Creditors: amounts falling due within one year	17	(8,534,087)	(8,583,501)
Net current assets		<u>7,934,526</u>	<u>6,293,169</u>
Total assets less current liabilities		<u>10,845,667</u>	<u>9,464,665</u>
Creditors: amounts falling due after more than one year	18	(298,043)	-
Net assets		<u><u>10,547,624</u></u>	<u><u>9,464,665</u></u>
Represented by:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		1,876,498	1,876,498
Other amounts		8,671,126	7,588,167
		<u>10,547,624</u>	<u>9,464,665</u>
Total members' interests			
Loans and other debts due to members	20	<u>10,547,624</u>	<u>9,464,665</u>

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

01/10/2021

**J H S Bacon**

Designated member

The notes on pages 17 to 29 form part of these financial statements.

Consolidated Reconciliation of members' interests

For the year ended 31 March 2021

	EQUITY Members' other interests	DEBT Loans and other debts due to members less any amounts due from members in debtors	Total members' interests		
		Members' capital (classified as debt)	Other amounts	Total	Total
	Other reserves £	£	£	£	£
Amounts due to members		1,876,498	9,699,629	11,576,127	
Balance at 1 April 2019	-	1,876,498	9,699,629	11,576,127	11,576,127
Members' remuneration charged as an expense	-	-	6,773,916	6,773,916	6,773,916
	9,165				9,165
Members' interests after profit for the year	9,165	1,876,498	16,473,545	18,350,043	18,359,208
Drawings	-	-	(8,885,378)	(8,885,378)	(8,885,378)
Amounts due to members		1,876,498	7,588,167	9,464,665	
Balance at 31 March 2020	9,165	1,876,498	7,588,167	9,464,665	9,473,830
Members' remuneration charged as an expense	-	-	7,030,812	7,030,812	7,030,812
Loss for the year available for discretionary division among members	(26,037)	-	-	-	(26,037)
Members' interests after profit for the year	(16,872)	1,876,498	14,618,979	16,495,477	16,478,605
Drawings	-	-	(5,947,853)	(5,947,853)	(5,947,853)
Amounts due to members		1,876,498	8,671,126	10,547,624	
Balance at 31 March 2021	(16,872)	1,876,498	8,671,126	10,547,624	10,530,752

The notes on pages 17 to 29 form part of these financial statements.

LLP reconciliation of members' interests

For the year ended 31 March 2021

	DEBT		
	Loans and other debts due to members less any amounts due from members in debtors		
	Members' capital (classified as debt)	Other amounts	Total
	£	£	£
Amounts due to members	1,876,498	9,699,629	11,576,127
Balance at 1 April 2019	1,876,498	9,699,629	11,576,127
Members' remuneration charged as an expense	-	6,773,916	6,773,916
Members' interests after profit for the year	1,876,498	16,473,545	18,350,043
Drawings	-	(8,885,378)	(8,885,378)
Amounts due to members	1,876,498	7,588,167	9,464,665
Balance at 31 March 2020	1,876,498	7,588,167	9,464,665
Members' remuneration charged as an expense	-	7,030,812	7,030,812
Members' interests after profit for the year	1,876,498	14,618,979	16,495,477
Drawings	-	(5,947,853)	(5,947,853)
Amounts due to members	1,876,498	8,671,126	10,547,624
Balance at 31 March 2021	1,876,498	8,671,126	10,547,624

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.

Consolidated statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(26,037)	9,165
Adjustments for:		
Members' remuneration charged as an expense	7,030,812	6,773,916
Amortisation of intangible assets	85,223	36,184
Depreciation of tangible assets	428,446	445,541
Interest paid	201	-
Interest received	(3,835)	(22,431)
Decrease in debtors	432,871	653,680
Increase/(decrease) in creditors	270,423	(1,231,174)
Net cash generated from operating activities before transactions with members	8,218,104	6,664,881
Members' remuneration charged as an expense	(7,030,812)	(6,773,916)
Net cash generated from operating activities	1,187,292	(109,035)
Cash flows from investing activities		
Purchase of intangible fixed assets	(91,138)	(132,453)
Gain on disposal of intangible assets	-	3,540
Purchase of tangible fixed assets	(161,953)	(118,481)
Gain on tangible fixed assets	-	1,806
Interest received	3,835	22,431
Net cash from investing activities	(249,256)	(223,157)

Consolidated statement of cash flows (continued)

For the year ended 31 March 2021

	2021 £	2020 £
Cash flows from financing activities		
Interest paid	(201)	-
Distributions paid to members	(5,947,853)	(8,885,378)
Members' remuneration	7,030,812	6,773,916
Net cash used in financing activities	1,082,758	(2,111,462)
Net increase/(decrease) in cash and cash equivalents	2,020,794	(2,443,654)
Cash and cash equivalents at beginning of year	4,647,787	7,091,441
Cash and cash equivalents at the end of year	6,668,581	4,647,787
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	6,668,581	4,647,787

The notes on pages 17 to 29 form part of these financial statements.

Notes to the financial statements

For the year ended 31 March 2021

1. General information

Allies and Morrison LLP is a limited liability partnership incorporated in England & Wales. The registered office is 83-85 Southwark Street, London, SE1 0HX. The registered number is OC404597.

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 Republic of Ireland and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

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

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the LLP and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group entities are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in profit or loss from the date on which control is obtained.

2.3 Statement of cash flows exemption

The LLP, as a qualifying entity, has taken advantage of the reduced disclosures set out in Section 1 of FRS 102 and has elected to not present its own Statement of cash flows.

2.4 Going concern

The members have considered the impact of the current COVID-19 pandemic on the group's and LLP's business, with a particular focus on its effect on the group's and LLP's ongoing and potential architecture projects, clients, suppliers and employees.

The members do not consider this to be cause for material uncertainty in respect of the group's and LLP's ability to continue as a going concern. The group and LLP have adapted well, successfully employing business continuity plans, and the members consider that the group and LLP have sufficient financial resources to continue for the foreseeable future, despite the current crisis. Therefore the financial statements have been prepared on the going concern basis.

Notes to the financial statements

For the year ended 31 March 2021

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.6 Turnover

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations.

Turnover is recognised by using the percentage of completion method of accounting for ongoing contracts. The percentage of completion used to determine the level of turnover recognised is based on the lower of two metrics applied to each individual contract; the direct labour cost to date as a percentage of the total expected direct labour cost, or the weighted average percentage complete, calculated as the direct labour cost to date as a percentage of the total expected direct labour cost by workstage.

Amounts invoiced in excess of turnover recognised are included within deferred income. Turnover recognised in excess of amounts invoiced is included within amounts recoverable on contracts.

When the contractual fee is agreed on an hourly rate basis, where fees earned are directly attributable to expended hours, turnover is recognised when the service is provided.

2.7 Operating leases: the Group 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.

2.8 Government grants

Government grant income relates to the Coronavirus Job Retention Scheme and is recognised in profit or loss in the same period as the related expenditure. Government grant income is included within other operating income.

Notes to the financial statements

For the year ended 31 March 2021

2. Accounting policies (continued)

2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.10 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.

2.11 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group 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 accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

2.12 Intangible assets

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.

Computer software is amortised on a straight line basis over 4 years.

2.13 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.

The estimated useful lives range as follows:

Leasehold improvements	- Over the length of the lease
Fixtures and fittings	- 10 years straight line
Computer equipment	- 4 years straight line

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.

Freehold land is not depreciated.

2.14 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Notes to the financial statements

For the year ended 31 March 2021

2. Accounting policies (continued)

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.16 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.

2.17 Creditors

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

2.18 Financial instruments

The Group 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described in note 2, the members are required to make judgements, estimates and assumptions about the carrying amounts 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 on-going basis.

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), the members have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Work in progress and cost to complete

A key estimation in calculating the work in progress figure is the cost to complete on a long term contract. This is calculated based upon a detailed budgeting process which is reviewed and updated where necessary as the contract progresses. The members' experience and judgement is required when making this estimation.

Revenue recognition for ongoing contracts

The percentage of completion method of accounting for ongoing contracts has been applied. Judgement from management is required to determine the expected future costs of each project up until their completion. This judgement directly impacts the value of revenue recognition, deferred income and amounts recoverable on contracts. In addition, judgement has been applied to determine which projects are deemed to be loss making so that this loss may be recognised immediately in profit or loss.

Notes to the financial statements

For the year ended 31 March 2021

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Fees	35,178,621	39,104,751

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	28,494,028	32,026,027
Rest of Europe	527,206	1,636,629
Rest of the world	6,157,387	5,442,095
	35,178,621	39,104,751

5. Other operating income

	2021 £	2020 £
Net rents receivable	240,809	122,203
Other operating income	9,530	31,202
Government grants receivable	173,768	-
	424,107	153,405

6. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Amortisation of intangible assets	85,223	36,185
Depreciation of tangible fixed assets	428,624	445,541
Exchange differences	80,809	(219,491)
Other operating lease rentals	2,189,823	2,144,253

Notes to the financial statements

For the year ended 31 March 2021

7. Auditor's remuneration

	2021 £	2020 £
Fees payable to the LLP's auditor for the audit of the LLP's annual financial statements	45,000	43,750
Taxation compliance services	20,250	20,000

8. Employees

Staff costs were as follows:

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Wages and salaries	13,414,305	13,203,607	13,256,961	13,178,004
Social security costs	1,407,147	1,483,597	1,406,055	1,481,447
Cost of defined contribution scheme	543,856	568,096	543,856	568,096
	<u>15,365,308</u>	<u>15,255,300</u>	<u>15,206,872</u>	<u>15,227,547</u>

The average monthly number of persons employed during the year was as follows:

	Group 2021 No.	Group 2020 No.	LLP 2021 No.	LLP 2020 No.
Architects	251	275	251	274
Support	46	47	46	46
	<u>297</u>	<u>322</u>	<u>297</u>	<u>320</u>

9. Information in relation to members

	2021 Number	2020 Number
The average number of members during the year was	18	18
	<u>2021 £</u>	<u>2020 £</u>
The amount of profit attributable to the member with the largest entitlement was	671,211	666,239

Notes to the financial statements

For the year ended 31 March 2021

10. Interest receivable

	2021 £	2020 £
Other interest receivable	<u>3,835</u>	<u>22,431</u>

11. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	<u>201</u>	<u>-</u>

12. Intangible fixed assets

Group

	Computer software £
Cost	
At 1 April 2020	239,301
Additions	91,138
At 31 March 2021	<u>330,439</u>
Amortisation	
At 1 April 2020	53,954
Charge for the year	85,223
At 31 March 2021	<u>139,177</u>
Net book value	
At 31 March 2021	<u>191,262</u>
At 31 March 2020	<u>185,347</u>

Notes to the financial statements

For the year ended 31 March 2021

12. Intangible fixed assets (continued)

LLP

	Computer software £
Cost	
At 1 April 2020	239,301
Additions	91,138
At 31 March 2021	<u>330,439</u>
Amortisation	
At 1 April 2020	53,954
Charge for the year	85,223
At 31 March 2021	<u>139,177</u>
Net book value	
At 31 March 2021	<u><u>191,262</u></u>
At 31 March 2020	<u><u>185,347</u></u>

Notes to the financial statements

For the year ended 31 March 2021

13. Tangible fixed assets**Group**

	Freehold land £	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 April 2020	409,500	2,635,006	1,112,811	1,155,593	5,312,910
Additions	-	13,272	52,109	97,642	163,023
Disposals	-	-	-	(1,071)	(1,071)
At 31 March 2021	409,500	2,648,278	1,164,920	1,252,164	5,474,862
Depreciation					
At 1 April 2020	-	911,264	545,081	869,751	2,326,096
Charge for the year	-	192,206	81,175	155,265	428,646
Disposals	-	-	-	(201)	(201)
At 31 March 2021	-	1,103,470	626,256	1,024,815	2,754,541
Net book value					
At 31 March 2021	409,500	1,544,808	538,664	227,349	2,720,321
At 31 March 2020	409,500	1,723,742	567,730	285,842	2,986,814

Notes to the financial statements

For the year ended 31 March 2021

13. Tangible fixed assets (continued)**LLP**

	Freehold land	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2020	409,500	2,635,006	1,112,811	1,154,789	5,312,106
Additions	-	13,272	52,109	97,642	163,023
Disposals	-	-	-	(1,071)	(1,071)
At 31 March 2021	409,500	2,648,278	1,164,920	1,251,360	5,474,058
Depreciation					
At 1 April 2020	-	911,264	545,081	869,701	2,326,046
Charge for the year	-	192,206	81,175	155,042	428,423
Disposals	-	-	-	(201)	(201)
At 31 March 2021	-	1,103,470	626,256	1,024,542	2,754,268
Net book value					
At 31 March 2021	409,500	1,544,808	538,664	226,818	2,719,790
At 31 March 2020	409,500	1,723,742	567,730	285,088	2,986,060

Notes to the financial statements

For the year ended 31 March 2021

14. Fixed asset investments

LLP

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	89
At 31 March 2021	89

Subsidiary undertaking

The following was a subsidiary undertaking of the LLP:

Name	Registered office	Principal activity	Class of shares	Holding
Allies and Morrison Limited	Charter House, 5 Pembroke Row, Dublin 2, D02 FW61	Architectural services	Ordinary	100%

The LLP's profit for the year of £7,178,937 is charged to the members as an expense. Therefore the group's consolidated profit or loss for the period is determined by the result of its subsidiary, Allies and Morrison Limited. In the year ended 31 March 2021, the subsidiary reported a loss for the year of £26,037 (2020 - profit of £9,165).

15. Debtors

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Trade debtors	7,068,269	7,843,487	6,896,207	7,843,487
Amounts owed by group undertakings	-	-	256,344	56,794
Other debtors	29,110	64,669	23,123	58,425
Prepayments	1,861,220	1,313,408	1,861,220	1,308,281
Amounts recoverable on long term contracts	790,958	961,896	763,138	961,896
Tax recoverable	1,032	-	-	-
	9,750,589	10,183,460	9,800,032	10,228,883

Included within prepayments for the LLP there are balances totaling £8,275 (2020 - £43,937) which are recoverable in over 1 year.

Notes to the financial statements

For the year ended 31 March 2021

16. Cash and cash equivalents

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Cash at bank and in hand	<u>6,668,581</u>	<u>4,647,787</u>	<u>6,668,581</u>	<u>4,647,787</u>

17. Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Trade creditors	1,848,495	3,204,294	1,832,441	3,204,294
Amounts owed to group undertakings	-	-	90,641	58,536
Other taxation and social security	1,581,246	931,594	1,549,639	928,319
Other creditors	273,915	249,280	273,455	249,280
Accruals and deferred income	4,798,302	4,144,410	4,787,911	4,143,072
	<u>8,501,958</u>	<u>8,529,578</u>	<u>8,534,087</u>	<u>8,583,501</u>

18. Creditors: amounts falling due after more than one year

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Other creditors	<u>298,043</u>	<u>-</u>	<u>298,043</u>	<u>-</u>

19. Analysis of net debt (group)

	At 1 April 2020 £	Arising from cash flows £	At 31 March 2021 £
Cash at bank and in hand	4,647,787	2,020,794	6,668,581
Net debt (before members' debt)	<u>4,647,787</u>	<u>2,020,794</u>	<u>6,668,581</u>
<i>Loans and other debts due to members</i>			
Members' capital	(1,876,498)	-	(1,876,498)
Other amounts due to members	(7,588,167)	(1,082,959)	(8,671,126)
	<u>(4,816,878)</u>	<u>937,835</u>	<u>(3,879,043)</u>

Notes to the financial statements

For the year ended 31 March 2021

20. Loans and other debts due to members

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Members' capital treated as debt	(1,876,498)	(1,876,498)	(1,876,498)	(1,876,498)
Other amounts due to members	(8,671,126)	(7,588,167)	(8,671,126)	(7,588,167)
	<u>(10,547,624)</u>	<u>(9,464,665)</u>	<u>(10,547,624)</u>	<u>(9,464,665)</u>

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

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Falling due within one year	<u>(10,547,624)</u>	<u>(9,464,665)</u>	<u>(10,547,624)</u>	<u>(9,464,665)</u>

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

21. Pension commitments

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in independently administered funds.

The pension cost for the year was £543,856 (2020 - £568,096). Contributions totaling £98,667 (2020 - £78,430) were payable to the scheme at the reporting date.

22. Commitments under operating leases

At 31 March 2021 the Group and the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	Group 2020 £	LLP 2021 £	LLP 2020 £
Not later than 1 year	2,247,016	2,173,152	2,247,016	2,173,152
Later than 1 year and not later than 5 years	9,265,549	9,080,213	9,265,549	9,080,213
Later than 5 years	8,657,714	10,169,377	8,657,714	10,169,377
	<u>20,170,279</u>	<u>21,422,742</u>	<u>20,170,279</u>	<u>21,422,742</u>