

**TOWN LEGAL LLP**  
**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**TOWN LEGAL LLP**  
**REGISTERED NUMBER: OC413003**

**BALANCE SHEET**  
**AS AT 31 MARCH 2023**

		2023	2022
	Note		
<b>Fixed assets</b>			
Intangible assets	4	195,979	110,060
Tangible assets	5	262,242	330,248
		<hr/> 458,221	<hr/> 440,308
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	2,742,444	2,707,910
Cash at bank and in hand		2,714,663	2,063,908
		<hr/> 5,457,107	<hr/> 4,771,818
Creditors: Amounts Falling Due Within One Year	7	(1,833,552)	(1,271,151)
		<hr/> 3,623,555	<hr/> 3,500,667
<b>Net current assets</b>			
		<hr/> 4,081,776	<hr/> 3,940,975
<b>Total assets less current liabilities</b>			
		<hr/> £ 4,081,776	<hr/> £ 3,940,975
<b>Net assets</b>			
<b>Represented by:</b>			
<b>Loans and other debts due to members within one year</b>			
Other amounts	9	3,140,508	2,797,906
<b>Members' other interests</b>			
Other reserves classified as equity		941,268	1,143,069
		<hr/> £ 4,081,776	<hr/> £ 3,940,975
<b>Total members' interests</b>			
Loans and other debts due to members	9	3,140,508	2,797,906
Members' other interests		941,268	1,143,069
		<hr/> £ 4,081,776	<hr/> £ 3,940,975

**TOWN LEGAL LLP**  
**REGISTERED NUMBER: OC413003**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The entity has opted not to file the statement of comprehensive income in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 29 September 2023.

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**Ms C R Fielding**  
Designated member

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**D Field**  
Designated member

The notes on pages 4 to 10 form part of these financial statements.

Town Legal LLP has no equity and, in accordance with the provisions contained within the Statement of Recommended Practice "Accounting by Limited Liability Partnerships", has not presented a Statement of Changes in Equity.

**TOWN LEGAL LLP**

**RECONCILIATION OF MEMBERS' INTERESTS  
FOR THE YEAR ENDED 31 MARCH 2023**

	EQUITY		DEBT		Total members'
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors		interests
	Other reserves	Total	Other amounts	Total	Total
Members' interests after profit for the year	907,651	907,651	3,059,831	3,059,831	3,967,482
Other division of profits	235,418	235,418	4,004,921	4,004,921	4,240,339
Amounts introduced by members	-	-	30,000	30,000	30,000
Drawings on account and distribution of profit	-	-	(2,499,478 )	(2,499,478 )	(2,499,478)
Deferred taxation provision	-	-	19,668	19,668	19,668
Tax payments	-	-	(1,817,036 )	(1,817,036 )	(1,817,036)
			2,797,906	2,797,906	
Amounts due to members					
	1,143,069	1,143,069	2,797,906	2,797,906	3,940,975
Balance at 31 March 2022					
Members' interests after profit for the year	1,143,069	1,143,069	2,797,906	2,797,906	3,940,975
Other division of profits	(201,801 )	(201,801 )	4,230,674	4,230,674	4,028,873
Amounts introduced by members	-	-	102,000	102,000	102,000
Drawings on account and distribution of profit	-	-	(2,420,534 )	(2,420,534 )	(2,420,534)
Deferred taxation provision	-	-	21,023	21,023	21,023
Tax payments	-	-	(1,590,561 )	(1,590,561 )	(1,590,561)
			3,140,508	3,140,508	
Amounts due to members					
	£ 941,268	£ 941,268	£ 3,140,508	£ 3,140,508	£ 4,081,776
Balance at 31 March 2023					

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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**1. General information**

Town Legal LLP is a limited liability partnership incorporated in England and Wales under registration number OC413003.

The registered office and principal place of business is 10 Throgmorton Avenue, London, EC2N 2DL.

**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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The following principal accounting policies have been applied:

**2.2 Revenue**

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

**Rendering of services**

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

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

**2.3 Operating leases: the LLP as lessee**

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

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

**2.4 Interest income**

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

**2.5 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.6 Pensions**

**Defined contribution pension plan**

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

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

**2.7 Division and distribution of profits**

A division of profits is the mechanism by which the profits of an LLP become a debt due to members. A division may be automatic or discretionary, may relate to some or all of the profits for a financial period and may take place during or after the end of a financial period.

An automatic division of profits is one where the LLP does not have an unconditional right to avoid making a division of an amount of profits based on the members' agreement in force at the time, whereas a discretionary division of profits requires a decision to be made by the LLP, which it has the unconditional right to avoid making.

The LLP divides profits automatically. Automatic divisions of profits are recognised as 'Members' remuneration charged as an expense in the Statement of Comprehensive Income.

**2.8 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.

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

**2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.9 Tangible fixed assets (continued)**

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

Depreciation is provided on the following basis:

Short-term leasehold property	-	10%	straight line
Fixtures and fittings	-	20%	straight line
Office equipment	-	20%	straight line
Computer equipment	-	50%	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.

**2.10 Debtors**

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

**2.11 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.

**2.12 Creditors**

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

**2.13 Financial instruments**

The LLP has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the LLP's Balance Sheet when the LLP becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**2. Accounting policies (continued)**

**2.13 Financial instruments (continued)**

Discounting is omitted where the effect of discounting is immaterial. The LLP's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

**Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

**Financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the LLP after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**Derecognition of financial instruments**

**Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the LLP transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the LLP will continue to recognise the value of the portion of the risks and rewards retained.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the LLP's contractual obligations expire or are discharged or cancelled.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**3. Employees**

The average monthly number of employees, including directors, during the year was 34 (2022 - 30).

**4. Intangible assets**

	Other intangible assets
<b>Cost</b>	
At 1 April 2022	204,659
Additions	103,499
	<hr/>
At 31 March 2023	308,158
	<hr/>
<b>Amortisation</b>	
At 1 April 2022	94,599
Charge for the year on owned assets	17,580
	<hr/>
At 31 March 2023	112,179
	<hr/>
<b>Net book value</b>	
At 31 March 2023	£ 195,979
	<hr/> <hr/>
<b>At 31 March 2022</b>	£ 110,060
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**5. Tangible fixed assets**

	Short-term leasehold property	Fixtures and fittings	Office equipment	Computer equipment	Total
<b>Cost or valuation</b>					
At 1 April 2022	332,775	155,368	9,037	170,418	667,598
Additions	-	-	-	41,815	41,815
At 31 March 2023	332,775	155,368	9,037	212,233	709,413
<b>Depreciation</b>					
At 1 April 2022	113,698	98,018	7,814	117,820	337,350
Charge for the year on owned assets	33,279	31,238	772	44,532	109,821
At 31 March 2023	146,977	129,256	8,586	162,352	447,171
<b>Net book value</b>					
At 31 March 2023	£ 185,798	£ 26,112	£ 451	£ 49,881	£ 262,242
<b>At 31 March 2022</b>	£ 219,077	£ 57,350	£ 1,223	£ 52,598	£ 330,248

**6. Debtors**

	2023	2022
Trade debtors	1,916,890	1,931,952
Other debtors	-	2,500
Prepayments and accrued income	618,041	452,042
Amounts recoverable on long term contracts	207,513	321,416
	<u>£ 2,742,444</u>	<u>£ 2,707,910</u>

**7. Creditors: Amounts falling due within one year**

	2023	2022
Trade creditors	746,678	232,139
Other taxation and social security	441,749	456,139
Other creditors	113,255	106,028
Accruals and deferred income	531,870	476,845
	<u>£ 1,833,552</u>	<u>£ 1,271,151</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**8. Financial instruments**

	2023	2022
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	£ <u>2,714,663</u>	£ <u>2,063,908</u>

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

**9. Loans and other debts due to members**

	2023	2022
Other amounts due to members	£ <u>3,140,508</u>	£ <u>2,797,906</u>

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

**10. Pension commitments**

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £99,271 (2022 - £82,231).

**11. Commitments under operating leases**

At 31 March 2023 the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
Not later than 1 year	294,142	147,071
Later than 1 year and not later than 5 years	1,029,497	-
	£ <u>1,323,639</u>	£ <u>147,071</u>

**12. Auditors' information**

The auditors' report on the financial statements for the year ended 31 March 2023 was unqualified.

The audit report was signed on 30 October 2023 by Joshua Conlon FCCA (Senior Statutory Auditor) on behalf of Magee Gammon Corporate Limited.



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