

Hanne & Co Solicitors LLP

Annual Report and Unaudited Financial Statements

For filing with the Registrar

For the year ended 31 March 2023

Hanne & Co Solicitors LLP

Limited Liability Partnership Information

Designated members	E A Francis C L Martin M Stewart V Copeman
Limited liability partnership number	OC422012
Registered office	The Candle Factory 112 York Road Battersea London United Kingdom SW11 3RS
Accountants	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

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Balance Sheet

As at 31 March 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	4		20,262		23,989
Current assets					
Debtors	5	2,107,762		1,949,163	
Cash and cash equivalents		25,000		25,045	
		<u>2,132,762</u>		<u>1,974,208</u>	
Creditors: amounts falling due within one year	6	(867,184)		(726,882)	
Net current assets			<u>1,265,578</u>		<u>1,247,326</u>
Total assets less current liabilities			<u>1,285,840</u>		<u>1,271,315</u>
Creditors: amounts falling due after more than one year	7		-		(72,917)
Provisions for liabilities	8		(30,000)		(30,000)
Net assets attributable to members			<u><u>1,255,840</u></u>		<u><u>1,168,398</u></u>
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability			289,300		284,800
Other amounts			494,540		411,598
			<u>783,840</u>		<u>696,398</u>
Members' other interests					
Members' capital classified as equity			472,000		472,000
			<u>1,255,840</u>		<u>1,168,398</u>
Total members' interests					
Loans and other debts due to members			783,840		696,398
Members' other interests			472,000		472,000
			<u>1,255,840</u>		<u>1,168,398</u>

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

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Balance Sheet (Continued)

As at 31 March 2023

For the financial year ended 31 March 2023 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 24 November 2023 and are signed on their behalf by:

E A Francis
Designated member

Limited Liability Partnership Registration No. OC422012

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Notes to the Financial Statements

For the year ended 31 March 2023

1 Accounting policies

Limited liability partnership information

Hanne & Co Solicitors LLP is a limited liability partnership domiciled and incorporated in England and Wales. The registered office is The Candle Factory, 112 York Road, Battersea, London, United Kingdom, SW11 3RS.

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

1.1 Accounting convention

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2018, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the members have reasonable expectation that the limited liability partnership has 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.

The members are also closely monitoring the ongoing impact of COVID-19 and the current economic climate on the LLP's ability to remain profitable. Because of the nature of the LLP's activities, the members do not expect external market conditions to significantly affect the ability of the LLP to continue in business and meet its liabilities as they fall due. The members will continue to regularly review the position moving forward and take action if required.

1.3 Turnover

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations which are performed gradually over time.

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.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.4 Members' participating interests

The members' agree that one tranche of the profit is to be split equally amongst them. The remaining tranche of profit shall be agreed after the year end and will be split according to the agreed criteria noted in the LLP agreement.

Drawings are treated as payments on account of profit allocation and will not be repayable unless a member has insufficient amounts held to the credit of individual partners. Any drawings in excess of total amounts held would be included within "amounts due from members" within debtors.

The capital requirements of the partnership are determined by the members and are reviewed regularly. Each member is required to subscribe a proportion of this capital. The amount of capital subscribed by each member is determined by the partnership from time to time. On leaving the partnership a members' capital classified as debt is usually repaid over 5 years.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% per annum on a straight line basis
Plant and equipment	20% per annum on a straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Impairment of fixed assets

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

Basic financial instruments are measured at amortised cost. The limited liability partnership has no other financial instruments or basic financial instruments measured at fair value.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.9 Provisions

Provisions are recognised when the limited liability partnership has a legal or constructive present obligation as a result of a past event, it is probable that the limited liability partnership will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

The provision made for dilapidations is in respect of property leases which contain requirements for the premises to be returned to their original state prior to conclusion of the lease term. The provision for claims represents the estimated cost to the firm of defending and settling claims where a liability is considered by the members to be probable, after allowing for recoveries under insurance policies.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits and post retirement payments to members

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

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Accrued Income

Some elements of accrued income in these financial statements are estimated. This estimate is necessary as it is not possible to determine the remaining accrued income amount directly from the accounting system. The estimate is calculated and reviewed by management each year before the financial statements are prepared. A combination of factors is considered, including the age of the WIP, the overall value of the case and the previous payment on account that has been received. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

3 Employees

The average number of persons (excluding members) employed by the partnership during the year was 53 (2021 - 55).

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 April 2022	41,527	81,555	123,082
Additions	-	4,266	4,266
At 31 March 2023	41,527	85,821	127,348
Depreciation and impairment			
At 1 April 2022	41,527	57,566	99,093
Depreciation charged in the year	-	7,993	7,993
At 31 March 2023	41,527	65,559	107,086
Carrying amount			
At 31 March 2023	-	20,262	20,262
At 31 March 2022	-	23,989	23,989

5 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1,091,431	901,721
Other debtors	1,016,331	1,047,442
	2,107,762	1,949,163

6 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	287,242	144,338
Trade creditors	87,242	113,715
Other taxation and social security	308,227	278,066
Other creditors	184,473	190,763
	867,184	726,882

The LLP's bank overdraft is secured by a debenture and floating charge over the assets of the LLP. The designated members have provided personal guarantees to the firm's banker in respect of the overdrafts, such guarantee being limited to £350,000. As at 31 March 2023, there was a bank overdraft of £37,461 (2022: £19,338).

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Notes to the Financial Statements (Continued)

For the year ended 31 March 2023

7 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Bank loans and overdrafts	-	72,917

8 Provisions for liabilities

	2023 £	2022 £
Dilapidations	5,000	5,000
Professional indemnity	25,000	25,000
	30,000	30,000

Movements on provisions:

	Dilapidations £	Professional Indemnity £	Total £
At 1 April 2022 and 31 March 2023	5,000	25,000	30,000

9 Loans and other debts due to members

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

10 Operating lease commitments

Lessee

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023 £	2022 £
Within one year	78,784	78,784
Between two and five years	100,740	189,485
	179,524	268,269

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.