

Limited Liability Partnership registration number OC430367 (England and Wales)

IBB LAW LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2022

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COMPANIES HOUSE

IBB LAW LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	J DeBiase J Govier A Melton J Mowbray
LLP registration number	OC430367
Registered office	Capital Court 30 Windsor Street Uxbridge Middlesex United Kingdom UB8 1AB
Auditor	Azets Audit Services Gladstone House 77-79 High Street Egham Surrey United Kingdom TW20 9HY

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MEMBERS' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

The members present their annual report and financial statements for the year ended 30 April 2022.

Principal activities

The principal activity of the limited liability partnership was that of the provision of legal services.

Members' drawings, contributions and repayments

During the year Members receive monthly drawings representing payments on account of profits which may be allocated to them. The amount of such drawings is determined after considering the working capital requirements of the business.

Profits are allocated to members in accordance with the LLP Members' Agreement.

Designated members

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

J DeBiase
J Govier
A Melton
J Mowbray
M Underhill

(Resigned 1 May 2022)

Auditor

Azets Audit Services were appointed as auditor to the limited liability partnership 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 Members' Meeting.

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 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. 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 limited liability partnership and of the profit or loss of the limited liability partnership 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the limited liability partnership will continue in business.

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

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MEMBERS' REPORT (CONTINUED)

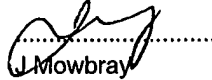
FOR THE YEAR ENDED 30 APRIL 2022

Approved by the members on 27/01/23 and signed on behalf by:



J Govier

Designated Member



J Mowbray

Designated Member

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IBB LAW LLP

Opinion

We have audited the financial statements of IBB Law LLP (the 'limited liability partnership') for the year ended 30 April 2022 which comprise the statement of comprehensive income, the balance sheet, the reconciliation of members' interests, the statement of cash flows and notes to the financial statements, including 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 limited liability partnership's affairs as at 30 April 2022 and of its 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 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 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.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF IBB LAW 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 requires us to report to you if, in our opinion:

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

Responsibilities of members

As explained more fully in the members' responsibilities statement, 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 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

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INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF IBB LAW LLP

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 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.

Azets Audit Services

Sam Thomas (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 27 January 2023

Chartered Accountants
Statutory Auditor

Gladstone House
77-79 High Street
Egham
Surrey
United Kingdom
TW20 9HY

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STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2022

		2022	2021
	Notes	£	£
Turnover	3	18,560,287	16,823,841
Administrative expenses		(13,332,679)	(11,850,270)
Other operating income		430	430,175
Operating profit	4	5,228,038	5,403,746
Interest receivable and similar income	7	71,700	26,702
Interest payable and similar expenses	8	(164,473)	(106,564)
Profit for the financial year before members' remuneration and profit shares		5,135,265	5,323,884
Members' remuneration charged as an expense	6	(5,135,265)	(5,323,884)
Result for the financial year available for discretionary division among members		-	-

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


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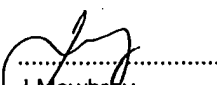
BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9	290,728		436,302	
Investments	10	8,411		8,410	
		<u>299,139</u>		<u>444,712</u>	
Current assets					
Debtors	12	8,249,409		7,952,315	
Cash at bank and in hand		1,140,629		2,946,459	
		<u>9,390,038</u>		<u>10,898,774</u>	
Creditors: amounts falling due within one year	14	(3,584,541)		(3,357,810)	
Net current assets		<u>5,805,497</u>		<u>7,540,964</u>	
Total assets less current liabilities		<u>6,104,636</u>		<u>7,985,676</u>	
Creditors: amounts falling due after more than one year	15	-		(1,787,045)	
Provisions for liabilities					
Provisions	17	(244,727)		(308,622)	
Net assets attributable to members		<u>5,859,909</u>		<u>5,890,009</u>	
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability		2,910,784		2,910,784	
Other amounts		2,949,125		2,979,225	
		<u>5,859,909</u>		<u>5,890,009</u>	

The financial statements were approved by the members and authorised for issue on 27/01/23 and are signed on their behalf by:


 J Govier
 Designated member


 J Mowbray
 Designated Member

Limited Liability Partnership Registration No. OC430367

IBB LAW LLP

RECONCILIATION OF MEMBERS' INTERESTS FOR THE YEAR ENDED 30 APRIL 2022

<i>Current financial year</i>	DEBT Loans and other debts due to members less any amounts due from members in debtors			TOTAL MEMBERS' INTERESTS
	Members' capital	Other amounts £	Total £	Total 2022 £
Members' interests at 1 May 2021	2,910,784	2,979,225	5,890,009	5,890,009
Members' remuneration charged as an expense	-	5,135,265	5,135,265	5,135,265
Result for the financial year available for discretionary division among members	-	-	-	-
Members' interests after loss and remuneration for the year	2,910,784	8,114,490	11,025,274	11,025,274
Reclassifications	30,000	(30,000)	-	-
Repayment of debt (including members' capital classified as a liability)	(30,000)	-	(30,000)	(30,000)
Drawings	-	(5,238,912)	(5,238,912)	(5,238,912)
Other movements	-	103,547	103,547	103,547
Members' interests at 30 April 2022	2,910,784	2,949,125	5,859,909	5,859,909

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RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

Prior financial year

	DEBT			TOTAL
	Loans and other debts due to members less any amounts due from members in debtors			MEMBERS' INTERESTS
	Members' capital	Other amounts	Total	Total 2021
		£	£	£
Transferred from partnership 1 May 2020	2,470,784	1,742,571	4,213,355	4,213,355
Members' remuneration charged as an expense	-	5,323,884	5,323,884	5,323,884
Members' interests after profit for the year	2,470,784	7,066,455	9,537,239	9,537,239
Introduced by members	640,000	-	640,000	640,000
Transfers	(37,480)	-	(37,480)	(37,480)
Repayment of capital	(162,520)	-	(162,520)	(162,520)
Drawings	-	(4,181,817)	(4,181,817)	(4,181,817)
Interest	-	94,587	94,587	94,587
Members' interests at 30 April 2021	2,910,784	2,979,225	5,890,009	5,890,009

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STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	25	4,631,225		5,447,784	
Interest paid		(164,473)		(11,977)	
Net cash inflow from operating activities		<u>4,466,752</u>		<u>5,435,807</u>	
Investing activities					
Purchase of tangible fixed assets		(1,144)		(118,915)	
Interest received		11,700		16,702	
Other income received from investments		60,000		10,000	
Net cash generated from/(used in) investing activities		<u>70,556</u>		<u>(92,213)</u>	
Financing activities					
Capital introduced by members (classified as debt or equity)		103,547		640,000	
Repayment of capital or debt to members		(30,000)		-	
Payments to members		(5,238,912)		(4,344,336)	
Proceeds from borrowings		644,372		2,652,971	
Repayment of borrowings		(2,823,419)		(816,832)	
Payment of finance leases obligations		(131,779)		(52,978)	
Net cash used in financing activities		<u>(7,476,191)</u>		<u>(1,921,175)</u>	
Net (decrease)/increase in cash and cash equivalents		<u>(2,938,883)</u>		<u>3,422,419</u>	
Cash and cash equivalents at beginning of year		2,946,459		(475,960)	
Cash and cash equivalents at end of year		<u>7,576</u>		<u>2,946,459</u>	
Relating to:					
Cash at bank and in hand		1,140,629		2,946,459	
Bank overdrafts included in creditors payable within one year		<u>(1,133,053)</u>		<u>-</u>	

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Limited liability partnership information

IBB Law LLP is a limited liability partnership incorporated in England and Wales. The registered office is Capital Court, 30 Windsor Street, Uxbridge, Middlesex, United Kingdom, UB8 1AB.

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.

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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

At the time of approving the financial statements, the members have a 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.

1.3 Turnover

Fee income includes the total amount receivable, net of Value Added Tax, in respect of services provided to clients during the period.

Revenue has been recognised in accordance with FRS 102. Revenue is recognised when the LLP has performed services in accordance with the agreement with the relevant client and has obtained the right to consideration for those services.

Where such revenue has not been billed at the balance sheet date it is included as accrued income and amounts recoverable on contracts.

1.4 Members' participating interests

Members' participation rights are the rights of a member against the LLP 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 LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts from a specific member.

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.

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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:

Fixtures and fittings	15% straight line
Computers	33.3% on cost from second year

All assets at nil value are recognised as disposals.

1.6 Fixed asset investments

Interests in entities, including joint ventures, are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Entities in which the limited liability partnership has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

1.8 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.

1.9 Financial instruments

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its 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.

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled.

Classification of 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 limited liability partnership after deducting all of its liabilities.

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 payments 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the limited liability partnership's obligations expire or are discharged or cancelled.

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.10 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.

1.11 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.

1.12 Retirement benefits and post retirement payments to members

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

1.13 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, 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.

1.14 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.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

1.16 Capital

A members capital requirement is determined with reference to either lockstep tier or position on a points scale. In addition the capital requirements of the LLP are considered annually.

Incoming members introduce their capital at 'par' and retiring members are repaid their capital at 'par'.

Members capital is contributed when instructed by the Designated Members and repaid by the LLP after a member leaves.

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Amounts recoverable on contracts

Irrecoverable amounts have been estimated in relation to amounts recoverable on contracts.

Bad debt provision

The LLP makes provisions against trade debtors where their recovery is in doubt, on a systematic basis.

3 Turnover

	2022	2021
	£	£
Other significant revenue		
Interest income	11,700	16,702
Grants received	-	422,831
Rental income arising from investment properties	430	7,344
	<u> </u>	<u> </u>

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(422,831)
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	15,250	14,500
Depreciation of owned tangible fixed assets	89,699	58,829
Depreciation of tangible fixed assets held under finance leases	57,019	31,763
Operating lease charges	822,504	806,525
	<u> </u>	<u> </u>

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2022

5 Employees

The average number of persons (excluding members) employed by the partnership during the year was:

	2022 Number	2021 Number
Fee earners	92	82
Non fee earners	49	43
Business support staff	38	42
Total	179	167

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	6,965,265	5,969,610
Social security costs	757,956	616,937
Pension costs	223,920	185,070
	7,947,141	6,771,617

6 Members' remuneration

	2022 Number	2021 Number
Average number of members during the year	30	30

	2022 £	2021 £
Profit attributable to the member with the highest entitlement	213,633	247,811

7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Interest on bank deposits	11,700	16,702
Income from fixed asset investments		
Income from participating interests - joint ventures	60,000	10,000
Total income	71,700	26,702

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

(Continued)

7 Interest receivable and similar income

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	11,700	16,702
--	--------	--------

8 Interest payable and similar expenses

	2022 £	2021 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	59,991	7,970
Other interest	104,482	98,594
	<u>164,473</u>	<u>106,564</u>

9 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
Cost			
At 1 May 2021	115,559	411,335	526,894
Additions	-	1,144	1,144
Disposals	(5,118)	(107,935)	(113,053)
At 30 April 2022	<u>110,441</u>	<u>304,544</u>	<u>414,985</u>
Depreciation and impairment			
At 1 May 2021	28,339	62,253	90,592
Depreciation charged in the year	28,017	118,701	146,718
Eliminated in respect of disposals	(5,118)	(107,935)	(113,053)
At 30 April 2022	<u>51,238</u>	<u>73,019</u>	<u>124,257</u>
Carrying amount			
At 30 April 2022	<u>59,203</u>	<u>231,525</u>	<u>290,728</u>
At 30 April 2021	<u>87,220</u>	<u>349,082</u>	<u>436,302</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

The depreciation charge in respect of all assets under lease or hire purchase arrangements during the year amounted to £57,019 (2021 - £31,763).

	2022 £	2021 £
Computers	<u>29,116</u>	<u>176,816</u>

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

10 Fixed asset investments

	Notes	2022 £	2021 £
Investments in joint ventures	11	1	-
Unlisted investments		8,410	8,410
		<u>8,411</u>	<u>8,410</u>

Movements in fixed asset investments

	Shares in joint ventures £	Other investments £	Total £
Cost or valuation			
At 1 May 2021	-	8,410	8,410
Additions	1	-	1
	<u>1</u>	<u>8,410</u>	<u>8,411</u>
At 30 April 2022	1	8,410	8,411
Carrying amount			
At 30 April 2022	<u>1</u>	<u>8,410</u>	<u>8,411</u>
At 30 April 2021	<u>-</u>	<u>8,410</u>	<u>8,410</u>

11 Joint ventures

Name of undertaking	Registered office	Class of shares held	% Held Direct
IBB Wealth Limited	3rd Floor 114a Cromwell Road, London, United Kingdom, SW7 4AG	Ordinary	50.00

IBB Wealth Limited, at their most recent year end date of 31 December 2021, reported profits of £7,361 and net assets of £20,219.

12 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	3,346,607	3,514,498
Amounts recoverable on contracts	4,212,866	3,848,430
Other debtors	7,642	2,379
Prepayments and accrued income	682,294	587,008
	<u>8,249,409</u>	<u>7,952,315</u>

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

13 Loans and overdrafts

	2022 £	2021 £
Bank overdrafts	1,133,053	-
Other loans	314,282	2,493,329
	<u>1,447,335</u>	<u>2,493,329</u>
Payable within one year	1,447,335	793,754
Payable after one year	-	1,699,575
	<u>-</u>	<u>1,699,575</u>

14 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Bank loans and overdrafts	13	1,133,053	-
Obligations under finance leases	16	23,825	68,134
Other borrowings	13	314,282	793,754
Trade creditors		616,307	630,184
Other taxation and social security		823,216	990,922
Other creditors		65,007	137,435
Accruals and deferred income		608,851	737,381
		<u>3,584,541</u>	<u>3,357,810</u>

15 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Obligations under finance leases	16	-	87,470
Other borrowings	13	-	1,699,575
		<u>-</u>	<u>1,787,045</u>

16 Finance lease obligations

	2022 £	2021 £
Future minimum lease payments due under finance leases:		
Within one year	23,825	68,134
Within two and five years	-	87,470
	<u>23,825</u>	<u>155,604</u>

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

16 Finance lease obligations

(Continued)

Finance lease payments represent rentals payable by the limited liability partnership for certain items of plant and machinery. 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.

17 Provisions for liabilities

	2022 £	2021 £
Dilapidations	224,727	281,622
Insurance claims	20,000	27,000
	<u>244,727</u>	<u>308,622</u>

Movements on provisions:

	Dilapidations £	Insurance claims £	Total £
At 1 May 2021	281,622	27,000	308,622
Additional provisions in the year	6,000	17,250	23,250
Reversal of provision	(14,858)	(6,667)	(21,525)
Utilisation of provision	(48,037)	(17,583)	(65,620)
At 30 April 2022	<u>224,727</u>	<u>20,000</u>	<u>244,727</u>

18 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>223,920</u>	<u>185,070</u>

The limited liability partnership operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund.

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

19 Loans and other debts due to members

	2022	2021
	£	£
Analysis of loans		
Amounts falling due within one year	5,859,909	5,890,009

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

Profits are apportioned between the members in line with the LLP agreement.

There are no restrictions or limitations that exist on the ability of the members to reduce the amount of 'Members' other interests'.

20 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, which fall due as follows:

	2022	2021
	£	£
Within one year	638,112	820,551
Between two and five years	1,710,761	1,960,495
In over five years	1,140,269	1,500,354
	3,489,142	4,281,400

21 Events after the reporting date

On 1st January 2023, IBB Law LLP merged with Owen White Solicitors creating a new firm with 36 partners and 110 lawyers. An estimate of the financial effect of the merger cannot be made at the date.

22 Related party transactions

Remuneration of key management personnel

The total remuneration of the members of the LLP who are considered to be the key management personnel of the LLP was £1,172,221 (2021 - £1,324,058).

23 Ultimate controlling party

The Limited Liability Partnership is controlled by its members as delegated to the management team and as such there is no one controlling party.

IBB LAW LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

24 Analysis of changes in net funds/(debt)

	1 May 2021 £	Cash flows £	30 April 2022 £
Cash at bank and in hand	2,946,459	(1,805,830)	1,140,629
Bank overdrafts	-	(1,133,053)	(1,133,053)
	<u>2,946,459</u>	<u>(2,938,883)</u>	<u>7,576</u>
Borrowings excluding overdrafts	(2,493,329)	2,179,047	(314,282)
Obligations under finance leases	(155,604)	131,779	(23,825)
	<u>297,526</u>	<u>(628,057)</u>	<u>(330,531)</u>
Balances before members' debt			
Loans and other debts due to members:			
- Members' capital	(2,910,784)	-	(2,910,784)
- Other amounts due to members	(2,979,225)	30,100	(2,949,125)
	<u>(5,592,483)</u>	<u>(597,957)</u>	<u>(6,190,440)</u>

25 Cash generated from operations

	2022 £	2021 £
Profit for the year	5,135,265	5,323,884
Adjustments for:		
Finance costs recognised in profit or loss	164,473	106,564
Investment income recognised in profit or loss	(71,700)	(26,702)
Depreciation and impairment of tangible fixed assets	146,718	90,592
(Decrease)/increase in provisions	(63,895)	162,002
Movements in working capital:		
Increase in debtors	(297,094)	(883,924)
(Decrease)/increase in creditors	(382,542)	675,368
	<u>4,631,225</u>	<u>5,447,784</u>
Cash generated from operations	<u>4,631,225</u>	<u>5,447,784</u>