

WEIGHTMANS (SCOTLAND) LLP

**Annual Report and Unaudited Financial
Statements**

For the year ended 30 April 2019



REPORT AND FINANCIAL STATEMENTS 2019

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OFFICERS AND PROFESSIONAL ADVISERS

DESIGNATED MEMBERS

J A Schorah
C D L Lewis

REGISTERED OFFICE

6th Floor
144 West George Street
Glasgow
G2 2HG

BANKERS

Barclays Bank plc
48B – 50 Lord Street
Liverpool
Merseyside
England
L2 1TD

Lloyds Bank plc
1st floor 5 St. Paul's Square
Liverpool
Merseyside
England
L3 9SJ

MEMBERS' REPORT

The Members are pleased to present their annual report on the affairs of Weightmans (Scotland) LLP (the "LLP") together with the financial statements for the year ended 30 April 2019.

PRINCIPAL ACTIVITY

The principal activity of the LLP is the provision of legal services in Scotland.

RESULTS AND BUSINESS REVIEW

The unaudited financial statements for the year ended 30 April 2019 are set out on pages 4 to 9.

DESIGNATED MEMBERS

The designated members who served during the year and thereafter are as noted on page 1.

MEMBERS' DRAWINGS AND CAPITAL POLICY

The members' policy on drawings is dependent upon the working capital requirements of the firm. A basic level of drawings is paid monthly and further distributions are made once the results of the year and allocation of profit have been finalised.

The level of members' capital is determined by the managing partner from time to time with each member's capital subscription linked to his or her share of profit.

Approved by the Members on 17 October 2019

and signed on behalf of the Members by

A handwritten signature in black ink, appearing to be 'J A Schorah', written in a cursive style.

J A Schorah

Designated Member

MEMBERS' RESPONSIBILITIES STATEMENT

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

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require 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). The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the LLP for that period. In preparing these financial statements, the members are required to:

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

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INCOME STATEMENT
Year Ended 30 April 2019

	Note	2019 £	2018 £
TURNOVER	2	1,927,872	1,644,286
Other operating income		(5,100)	(6,362)
		<hr/>	<hr/>
Staff costs	3	1,922,772	1,637,924
Other operating expenses		(439,104)	(338,808)
		(1,106,051)	(1,083,928)
		<hr/>	<hr/>
OPERATING PROFIT	4	377,617	215,188
Net interest payable	5	-	-
		<hr/>	<hr/>
PROFIT FOR THE YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG THE MEMBERS	10	<u>377,617</u>	<u>215,188</u>

All results relate to continuing activities.

There was no other recognised income or expenses during the year other than those disclosed above.

STATEMENT OF FINANCIAL POSITION
As at 30 April 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	7	54,335	41,288
CURRENT ASSETS			
Debtors	8	1,000,753	1,091,275
Cash at bank and in hand		96,833	128,535
		<u>1,097,586</u>	<u>1,219,810</u>
CREDITORS: amounts falling due within one year	9	(728,065)	(1,045,810)
NET CURRENT ASSETS		<u>369,521</u>	<u>174,000</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>423,856</u>	<u>215,288</u>
Provisions for liabilities	10	(46,140)	-
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>377,717</u>	<u>215,288</u>
REPRESENTED BY:			
Loans and other debts due to members			
Members' capital classified as a liability under FRS 25		100	100
Other amounts		-	-
	11	<u>100</u>	<u>100</u>
Equity			
Members' other interests - other reserves classified as equity under FRS25	11	<u>377,617</u>	<u>215,188</u>
TOTAL MEMBERS' INTERESTS	11	<u>377,717</u>	<u>215,288</u>

For the financial year in question the Limited Liability Partnership was entitled to exemption under section 477 of the Companies Act 2006 (as applied by Limited Liability Partnerships (Accounts and Audit)(Application of Companies Act 2006) Regulations 2008) relating to small LLPs.

The members acknowledge their responsibility for complying with the requirements of the Companies Act 2006 (as applied to Limited Liability partnerships) with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to LLPs subject to the small LLPs regime in accordance with the provisions of Section 1A of FRS102.

The financial statements of Weightmans (Scotland) LLP registered number SO304314 were approved by the Members and authorised for issue on 17 October 2019.

Signed on behalf of the Members



J A Schorah
Designated Member

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – ‘The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland’ (‘FRS 102’), Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in July 2014. The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Sterling (£).

Going concern

After reviewing the company’s forecasts and projections and having considered the ongoing support provided by the parent company, Weightmans LLP, the members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. The LLP therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The rates applicable are:

Fixtures and fittings	10 years straight line
Dilapidation asset	Period of lease straight-line

Debtors

Short term debtors are measured at the 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 impairment.

Creditors

Short term trade 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.

Provisions for liabilities

Provisions are recognised when the LLP has a present obligation (legal or constructive) as a result of a past event, it is probable that the LLP will be required to settle the 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 end of the reporting period, 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 using a pre-tax discounted rate. The unwinding of the discount is recognised as a finance cost in the income statement in the period it arises.

Provision for property dilapidations and professional indemnity

The property dilapidation provision is in respect of potential liabilities for dilapidations on offices leased by the LLP. On 1 May 2018 a change in estimation technique was applied to the property in respect of dilapidations. Payments usually fall due upon surrender of the lease.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

Members' drawings and the subscription and repayment of members' capital

The members' policy on drawings is dependent upon the working capital requirements of the group. A basic level of drawings is paid monthly and further distributions are made once the results of the year and allocation of profit have been finalised.

Profits are automatically allocated as drawn, with any profits unallocated at the year-end being automatically allocated upon approval of the annual financial statements. Unallocated profits are included in other reserves within members' other interests.

The capital requirements are determined by the Board and are reviewed regularly.

Taxation

Tax to be paid on the profits arising in the LLP are a personal liability of the members of the LLP and therefore are not included as a tax charge or provision within these financial statements. Tax as presented within these financial statements represents tax arising from other group undertakings.

2. TURNOVER

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

3. STAFF COSTS

	2019 No.	2018 No.
Average number of persons employed during the year was:		
Fee earners	9	8
Support staff	3	3
	<u>12</u>	<u>11</u>
	2019	2018
	£	£
Staff costs incurred during the year in respect of employees were:		
Wages and salaries	388,975	303,773
Social security costs	37,387	31,344
Pension costs	12,742	3,691
Total staff costs	<u>439,104</u>	<u>338,808</u>

4. OPERATING PROFIT

	2019 £	2018 £
Operating profit is stated after charging:		
Depreciation of tangible fixed assets		
- Owned	32,393	6,274
Rentals under operating leases		
- Land and buildings	<u>45,222</u>	<u>49,550</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

5. NET INTEREST PAYABLE

	2019 £	2018 £
Other interest payable and similar charges	-	-

6. MEMBERS' SHARE OF PROFIT

The basis on which profit is shared among the members is set out in the principal accounting policies. Only the valve partners, of which there were two during the year (2018 – 2), are eligible for a share of profits. The profit share of all other fixed share members has been charged through other operating expenses.

	2019 No.	2018 No.
Average number of members	8	7

7. TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Fixtures and fittings £	Total £
Cost			
At 1 May 2018	-	62,737	62,737
Additions	45,440	-	45,440
At 30 April 2019	45,440	62,737	108,177
Accumulated depreciation			
At 1 May 2018	-	21,449	21,449
Charged in the year	26,119	6,274	32,393
At 30 April 2019	26,119	27,723	53,842
Net book value			
At 30 April 2019	19,321	35,014	54,335
At 30 April 2018	-	41,288	41,288

8. DEBTORS DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	818,501	899,923
Unbilled revenue	103,960	114,133
Other debtors	469	1,010
Prepayments and accrued income	77,823	76,209
	1,000,753	1,091,275

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	151,607	152,670
Other creditors including taxation and social security	81,669	84,719
Accruals and deferred income	15,908	30,083
Amounts owed to related parties (see note 12)	478,881	778,338
	<u>728,065</u>	<u>1,045,810</u>

10. PROVISION FOR LIABILITIES

	Property dilapidations £
As at 1 May 2018	-
Provisions created/(utilised)	46,140
At 30 April 2019	<u>46,140</u>

11. TOTAL MEMBERS' INTERESTS

	Members' other interests and other reserves £	Loans and other debts due to members £	Total members' interests £
As at 1 May 2018	215,188	-	215,188
Allocation of prior year profit	(215,188)	-	(215,188)
Profit for the year available for discretionary division among members	377,617	-	377,617
Members' interests after profit for the year	377,617	-	377,617
Allocation of current year loss	-	-	-
At 30 April 2019	<u>377,617</u>	<u>-</u>	<u>377,617</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2019

12. OBLIGATIONS UNDER OPERATING LEASES

Annual commitments under non-cancellable operating leases are as follows:

	2019	2018
	Land and	Land and
	buildings	buildings
	£	£
Leases which expire:		
Within one year	11,017	55,545
Between one and two years	66,100	41,659
Between two and five years	198,300	-
After five years	49,575	-
	<u>324,992</u>	<u>97,204</u>

13. CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

Amounts owed to related parties include £478,881 (2018: £778,338) payable to Weightmans LLP.