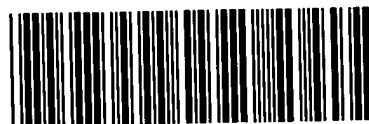


Smith Square Partners LLP

**Annual Report and Financial Statements
Year Ended 31 March 2023**

Registration number: OC357682

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Smith Square Partners LLP

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Smith Square Partners LLP

Limited liability partnership information

Designated members	Mr W J Craven Mr B E Mingay
Registered office	Byron House St James's Street London SW1A 1EE
Auditors	PKF Francis Clark Statutory Auditor Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE

Smith Square Partners LLP

Statement of Members' Responsibilities

Year Ended 31 March 2023

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). Under Company law as applied to LLPs 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 year. 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; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Partnership 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 limited liability partnership and enable them to ensure that the financial statements comply with 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, and in accordance with the requirements of the Statement of Recommended Practice - Accounting by Limited Liability Partnerships (2021). 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.

These responsibilities are exercised by the Designated members on behalf of the members.

Smith Square Partners LLP

Balance Sheet

31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	3	116,715	47,042
Investments	4	661	661
		<u>117,376</u>	<u>47,703</u>
Current assets			
Debtors		2,417,451	4,017,930
Cash and cash equivalents		<u>3,732,797</u>	<u>1,459,737</u>
		6,150,248	5,477,667
Creditors: Amounts falling due within one year	6	<u>(524,238)</u>	<u>(686,714)</u>
Net current assets		<u>5,626,010</u>	<u>4,790,953</u>
Net assets attributable to members		<u>5,743,386</u>	<u>4,838,656</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		1,277,228	707,953
Members' other interests			
Members' capital classified as equity		500,000	500,000
Other reserves		<u>3,966,158</u>	<u>3,630,703</u>
		<u>4,466,158</u>	<u>4,130,703</u>
		<u>5,743,386</u>	<u>4,838,656</u>
Total members' interests			
Amounts due from members	5	(1,455,715)	(1,432,709)
Loans and other debts due to members		1,277,228	707,953
Equity		<u>4,466,158</u>	<u>4,130,703</u>
		<u>4,287,671</u>	<u>3,405,947</u>

The notes on pages 7 to 12 form an integral part of these financial statements.

Smith Square Partners LLP

Balance Sheet

31 March 2023 (continued)

These financial statements have been prepared and delivered in accordance with the special provisions within Part 15 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 as modified by the Limited Liability Partnerships, Partnerships and Groups (Accounts and Audit) Regulations 2016, and the option not to file the Profit and Loss Account has been taken.

The financial statements of Smith Square Partners LLP (registered number OC357682) were approved by the members and authorised for issue on 24 July 2023. They were signed on behalf of the limited liability partnership by:



Mr W J Craven
Designated member

Registration number: OC357682

Smith Square Partners LLP

Reconciliation of Members' Interests

31 March 2023

	<u>Equity</u>			<u>Loans and other debts due to/(from) members</u>	
	<u>Members' capital</u>	<u>Other reserves</u>	<u>Total</u>	<u>Members' capital classified as a liability</u>	<u>Total 2023</u>
	£	£	£	£	£
Members' interest at 1 April 2022	500,000	3,630,703	4,130,703	(724,757)	3,405,946
Profit for the financial year available for discretionary division among members	-	3,966,158	3,966,158	-	3,966,158
Allocated (losses)/profits in respect of the prior year	-	(3,630,703)	(3,630,703)	3,630,703	-
Members' capital introduced / new loan advances	-	-	-	629,275	629,275
Drawings (including tax payments)	-	-	-	(1,455,715)	(1,455,715)
Amounts repaid	-	-	-	(2,257,993)	(2,257,993)
At 31 March 2023	500,000	3,966,158	4,466,158	(178,487)	4,287,671

Smith Square Partners LLP

Reconciliation of Members' Interests

31 March 2023 (continued)

	<u>Equity</u>			<u>Loans and other debts due to/(from) members</u>	
	Members' capital £	Other reserves £	Total £	Members' capital classified as a liability £	Total 2022 £
Members' interest at 1 April 2021	500,000	2,798,529	3,298,529	173,359	3,471,888
Profit for the financial year available for discretionary division among members	-	3,630,703	3,630,703	-	3,630,703
Allocated profits in respect of the prior year	-	(2,798,529)	(2,798,529)	2,798,529	-
Members' capital introduced / new loan advances	-	-	-	11,709	11,709
Drawings (including tax payments)	-	-	-	(1,406,408)	(1,406,408)
Amounts repaid	-	-	-	(2,301,946)	(2,301,946)
At 31 March 2022	500,000	3,630,703	4,130,703	(724,757)	3,405,946

Smith Square Partners LLP

Notes to the Financial Statements

Year Ended 31 March 2023

1 Accounting policies

Firm structure

The LLP is a limited liability partnership registered in England and Wales. A list of designated members' names is available for inspection at the LLP's registered office.

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared under the historical cost convention in accordance with FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland, including Section 1A and the Companies Act 2006 and in accordance with the Statement of Recommended Practice - Accounting by Limited Liability Partnerships (2021). There are no material departures from FRS102.

General information and basis of accounting

The limited liability partnership is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000.

The address of the registered office is:

Byron House
St James's Street
London
SW1A 1EE

The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The functional currency of Smith Square Partners LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the limited liability partnership operates.

Going concern

In the opinion of the partners, the partnership has sufficient working capital within existing facilities to continue to trade for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

Smith Square Partners LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Revenue recognition

Turnover is the total amount receivable for services rendered to clients during the year. Turnover is recognised when the right to consideration has been obtained through the performance of each contract having regard to the stage of completion.

Income from conditional arrangements is recognised when the entitlement to income arises.

Members' remuneration and division of profits

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 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 FRS102, Liabilities and equity. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as loans from members and are classified as liabilities and these rank *pari passu* with other creditors.

During the prior year the classification of capital was reviewed and as a result an element of capital previously classified as equity has been presented as a liability. This had no impact on profit or net assets attributable to members.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet.

Conversely, where profits are divided only after a decision by the Management Board of the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the Profit and Loss Account and are equity appropriations in the Balance Sheet.

Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Smith Square Partners LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Taxation

The taxation payable on the partnership's profits is the personal liability of the members, although payment of such liabilities may be administered by the partnership on behalf of its members. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

other taxes policy

Tangible fixed assets

Individual fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Over the term of the lease
Fixtures and fittings	5 years straight line basis
Office equipment	3 years straight line basis
Display	Not depreciated

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Financial instruments:

Classification

The limited liability partnership holds the following financial instruments:

- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

Cash includes highly liquid investments and deposit balances.

Smith Square Partners LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

1 Accounting policies (continued)

Recognition and Measurement

The limited liability partnership has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the limited liability partnership becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the limited liability partnership's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Audit report

The Independent Auditor's Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Glenn Nicol, who signed for and on behalf of PKF Francis Clark on 24 July 2023.

2 Particulars of employees

The average number of persons employed by the limited liability partnership during the year was 10 (2022 - 9).

Smith Square Partners LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

3 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Display £	Total £
Cost					
At 1 April 2022	61,181	146,960	63,766	14,400	286,307
Additions	-	94,578	6,800	-	101,378
Disposals	(61,181)	-	-	-	(61,181)
At 31 March 2023	-	241,538	70,566	14,400	326,504
Depreciation					
At 1 April 2022	51,420	145,238	42,607	-	239,265
Charge for the year	9,761	10,382	11,562	-	31,705
Eliminated on disposals	(61,181)	-	-	-	(61,181)
At 31 March 2023	-	155,620	54,169	-	209,789
Net book value					
At 31 March 2023	-	85,918	16,397	14,400	116,715
At 31 March 2022	9,761	1,722	21,159	14,400	47,042

4 Investments held as fixed assets

	Other investments £	Total £
Cost		
At 1 April 2022	661	661
At 31 March 2023	661	661
Net book value		
At 31 March 2023	661	661
At 31 March 2022	661	661

Smith Square Partners LLP

Notes to the Financial Statements (continued)

Year Ended 31 March 2023

5 Debtors

	2023	2022
	£	£
Trade debtors	78,284	150,105
Amounts due from members	1,455,715	1,432,709
Other debtors	-	14,945
Prepayments and accrued income	883,452	2,420,171
	<u>2,417,451</u>	<u>4,017,930</u>

6 Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	20,874	166,790
Taxation and social security	78,776	14,302
Other creditors	4,947	-
Accruals and deferred income	419,641	505,622
	<u>524,238</u>	<u>686,714</u>

7 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £1,194,550 (2022 - £26,350).