

Limited Liability Partnership Registration No. OC351421 (England and Wales)

HLW KEEBLE HAWSON LLP
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2017

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HLW KEEBLE HAWSON LLP

LIMITED LIABILITY PARTNERSHIP INFORMATION

Designated members	P G Trudgill R K Dyson R J Smith
Limited liability partnership number	OC351421
Registered office	Commercial House Commercial Street Sheffield S1 2AT
Auditor	BHP LLP 2 Rutland Park Sheffield S10 2PD
Bankers	HSBC Unit 4 Europa Court Sheffield Business Park Sheffield S9 1XE

HLW KEEBLE HAWSON LLP

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MEMBERS' REPORT

FOR THE YEAR ENDED 30 APRIL 2017

The members present their annual report and financial statements for the year ended 30 April 2017.

Principal activities

The principal activity of the limited liability partnership continued to be the provision of legal services.

Members' drawings, contributions and repayments

During the period the members are entitled to receive monthly drawings. The level and timing of drawings is decided by the members after taking into account the LLP's cash requirements for operating and investment activities. All allocated but undistributed profits are included in "Loans and other debts due to members".

The capital requirements of the LLP are agreed by the members. Each member is required to subscribe a proportion of this capital and the amount of capital subscribed by each member is linked to the earnings allocated to that member. On leaving the LLP a members' capital is repaid over a period agreed with the retiring member.

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:

P G Trudgill
R K Dyson
R J Smith

Auditor

The auditor, BHP LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

Statement of disclosure to auditor

Each of the members in office at the date of approval of this annual report confirms that:

- so far as the members are aware, there is no relevant audit information of which the limited liability partnership's auditors is unaware, and
- the members have taken all steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the limited liability partnership's auditor is aware of that information.

On behalf of the members


P G Trudgill

Designated Member

25.1.18

HLW KEEBLE HAWSON LLP

MEMBERS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2017

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.

HLW KEEBLE HAWSON LLP

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HLW KEEBLE HAWSON LLP

We have audited the financial statements of hlw Keeble Hawson LLP for the year ended 30 April 2017 set out on pages 4 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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.

Respective responsibilities of members and auditor

As explained more fully in the Members' Responsibilities Statement set out on page 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2017 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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.

Lisa Leighton (Senior Statutory Auditor)
for and on behalf of BHP LLP

25.1.18

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

HLW KEEBLE HAWSON LLP

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2017

	Notes	Continuing operations £	Discontinued operations £	30 April 2017 £	30 April 2016 £
Turnover	3	11,945,757	1,088,111	13,033,868	14,500,387
Cost of sales		(5,222,060)	(335,805)	(5,557,865)	(6,916,553)
Gross profit		6,723,697	752,306	7,476,003	7,583,834
Distribution costs		(1,091,877)	-	(1,091,877)	(1,313,604)
Administrative expenses		(4,178,625)	-	(4,178,625)	(3,962,901)
Operating profit	4	1,453,195	752,306	2,205,501	2,307,329
Interest receivable and similar income	7	88,453	-	88,453	86,733
Interest payable and similar expenses	8	(174,389)	-	(174,389)	(216,847)
Profit on disposal of operations	9	-	1,000,000	1,000,000	-
Taxation		-	-	-	-
Profit for the financial year before members' remuneration and profit shares		1,367,259	1,752,306	3,119,565	2,177,215
Profit for the financial year before members' remuneration and profit shares		1,367,259	1,752,306	3,119,565	2,177,215
Members' remuneration charged as an expense	6	(1,367,259)	(1,752,306)	(3,119,565)	(2,177,215)
Profit for the financial year available for discretionary division among members		-	-	-	-

In 2016, the profit and loss account was prepared on the basis that all operations were continuing operations.

HLW KEEBLE HAWSON LLP

BALANCE SHEET

AS AT 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	10	437,477		604,714	
Investments	11	1		1	
		<u>437,478</u>		<u>604,715</u>	
Current assets					
Work in progress	12	620,070		2,023,188	
Debtors	14	7,570,179		8,156,187	
Cash at bank and in hand		378,663		1,837	
		<u>8,568,912</u>		<u>10,181,212</u>	
Creditors: amounts falling due within one year	16	<u>(4,561,367)</u>		<u>(6,336,720)</u>	
Net current assets		<u>4,007,545</u>		<u>3,844,492</u>	
Total assets less current liabilities		<u>4,445,023</u>		<u>4,449,207</u>	
Creditors: amounts falling due after more than one year	17	(999,955)		(464,445)	
Net assets attributable to members		<u><u>3,445,068</u></u>		<u><u>3,984,762</u></u>	
Represented by:					
Loans and other debts due to members within one year					
Members' capital classified as a liability		1,100,000		2,025,000	
Other amounts		2,345,068		1,959,762	
		<u>3,445,068</u>		<u>3,984,762</u>	
Total members' interests					
Amounts due from members		-		(88,565)	
Loans and other debts due to members		3,445,068		3,984,762	
		<u><u>3,445,068</u></u>		<u><u>3,896,197</u></u>	

HLW KEEBLE HAWSON LLP

BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2017

The financial statements were approved by the members and authorised for issue on 25.1.18 and are signed on their behalf by:


.....
P G Trudgill
Designated member

Limited Liability Partnership Registration No. OC351421

HLW KEEBLE HAWSON LLP

RECONCILIATION OF MEMBERS' INTERESTS

FOR THE YEAR ENDED 30 APRIL 2017

Current financial year

	DEBT	TOTAL
	Loans and other debts due to members less any amounts due from members in debtors	MEMBERS' INTERESTS
	Members' capital (classified as debt)	Total 2017
	£	£
Amount due to members	1,959,762	
Amount due from members	(88,565)	
Members' interests at 1 May 2016	2,025,000	3,896,197
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	3,119,565
Members' interests after loss and remuneration for the year	2,025,000	7,015,762
Introduced by members	25,000	25,000
Repayment of debt (including members' capital classified as a liability)	(950,000)	(950,000)
Drawings	-	(1,380,467)
Other movements	-	(1,265,227)
Members' interests at 30 April 2017	1,100,000	3,445,068
Amounts due to members	2,345,068	
	2,345,068	

HLW KEEBLE HAWSON LLP

RECONCILIATION OF MEMBERS' INTERESTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

Prior financial year

	DEBT		TOTAL
	Loans and other debts due to members less any amounts due from members in debtors		MEMBERS' INTERESTS
	Members' capital (classified as debt)	Other amounts	Total 2016
		£	£
Amount due to members		1,941,874	
Amount due from members		(24,152)	
Members' interests at 1 May 2015	2,750,000	1,917,722	4,667,722
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	2,177,215	2,177,215
Members' interests after loss and remuneration for the year	2,750,000	4,094,937	6,844,937
Introduced by members	25,000	-	25,000
Repayment of debt (including members' capital classified as a liability)	(750,000)	-	(750,000)
Drawings	-	(2,560,705)	(2,560,705)
Other movements	-	336,965	336,965
Members' interests at 30 April 2016	2,025,000	1,871,197	3,896,197
Amounts due to members		1,959,762	
Amounts due from members, included in debtors		(88,565)	
		1,871,197	

HLW KEEBLE HAWSON LLP

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from operations	23	4,548,790		2,679,444	
Interest paid		(174,389)		(216,847)	
Net cash inflow from operating activities		4,374,401		2,462,597	
Investing activities					
Proceeds of disposal of discontinued operations		1,000,000		-	
Purchase of tangible fixed assets		(71,625)		(247,439)	
Proceeds on disposal of tangible fixed assets		-		975,000	
Interest received		88,453		86,733	
Net cash generated from investing activities		1,016,828		814,294	
Financing activities					
Capital introduced by members (classified as debt or equity)		25,000		361,965	
Repayment of capital or debt to members		(950,000)		(750,000)	
Payments to members that represent a return on amounts subscribed or otherwise contributed		(2,645,694)		(2,560,705)	
Repayment of borrowings		601,639		62,441	
Repayment of bank loans		(783,333)		(834,465)	
Payment of obligations under finance leases		(51,200)		142,101	
Net cash used in financing activities		(3,803,588)		(3,578,663)	
Net increase/(decrease) in cash and cash equivalents		1,587,641		(301,772)	
Cash and cash equivalents at beginning of year		(3,729,041)		(3,427,269)	
Cash and cash equivalents at end of year		(2,141,400)		(3,729,041)	
Relating to:					
Cash at bank and in hand		378,663		1,837	
Bank overdrafts included in creditors payable within one year		(2,520,063)		(3,730,878)	

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

Limited liability partnership information

hlw Keeble Hawson LLP is a limited liability partnership incorporated in England and Wales. The registered office is hlw Keeble Hawson, Commercial House, Commercial Street, Sheffield, S1 2AT.

The limited liability partnerships' 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 January 2017, 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 financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

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

Turnover represents amounts chargeable to clients for professional services provided during the period excluding value added tax and third party invoiced disbursements.

Revenue is recognised on an individual engagement basis when the right to consideration has been obtained from the client in exchange for work performed and where the recoverability of the consideration can be assessed with reasonable certainty.

Unbilled turnover on individual client assignments is included in debtors.

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.

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

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.

All amounts due to members that are classified as liabilities are presented within 'Loans and other debts due to members' and, where such an amount relates to current year profits, they are recognised within 'Members' remuneration charged as an expense' in arriving at the relevant year's result. Undivided amounts that are classified as equity are shown within 'Members' other interests'. Amounts recoverable from members are presented as debtors and shown as amounts due from members within members' interests.

Where there exists an asset and liability component in respect of an individual member's participation rights, they are presented on a gross basis unless the LLP has both a legally enforceable right to set off the recognised amounts, and it intends either to settle on a net basis or to settle and realise these amounts simultaneously, in which case they are presented net.

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	Over the life of the lease/10-25% straight line
Office equipment and computers	20/25% reducing balance

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 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities 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.

A subsidiary is an entity controlled by the limited liability partnership. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 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). Where it is not possible to estimate the recoverable amount of an individual asset, the limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand 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.

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

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 or .

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the limited liability partnership transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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, including bank loans, 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 receipts 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.

Derecognition of financial liabilities

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

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of work in progress.

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.

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

1 Accounting policies

(Continued)

1.11 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 the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

1.12 Taxation

Income tax payable on the profits of the LLP is solely the personal liability of the individual members and consequently is not dealt with in these financial statements.

1.13 Members' participation rights

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 either a financial liability or equity. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

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.

All amounts due to members that are classified as liabilities are presented in the balance sheet within "Loans and other debts due to members" and are charged in the profit and loss account within "Members remuneration charged as an expense". Amounts due to members that are classified as equity are shown in the balance sheet within "Members' other interests".

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.

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

3 Turnover

An analysis of the limited liability partnership's turnover is as follows:

	2017 £	2016 £
Turnover		
Fees delivered	13,033,868	14,500,387
Other significant revenue		
Interest income	88,453	86,733

Turnover analysed by geographical market

	2017 £	2016 £
United Kingdom	13,033,868	14,500,387

4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging/(crediting):		
Fees payable to the LLP's auditor for the audit of the LLP's annual accounts	14,000	13,640
Depreciation of owned tangible fixed assets	112,133	196,874
Depreciation of tangible fixed assets held under finance leases	31,269	7,940
Loss on disposal of tangible fixed assets	95,460	-
Operating lease charges	739,045	803,732

5 Employees

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

	2017 Number	2016 Number
Professional Staff	157	180
Support Staff	51	54
	208	234

Their aggregate remuneration comprised:

	2017 £	2016 £
Wages and salaries	6,634,420	6,921,538

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

6 Members' remuneration

	2017 Number	2016 Number
The average number of members during the year was	11	16
	<u>2017</u> £	<u>2016</u> £
Profit attributable to the member with the highest entitlement	364,011	172,755
Average members' remuneration	283,597	136,076
	<u>2017</u> £	<u>2016</u> £
Remuneration to members charged as an expense	3,119,565	2,177,215

7 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Bank interest	88,453	86,733

8 Interest payable and similar expenses

	2017 £	2016 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	119,142	178,428
Interest on finance leases and hire purchase contracts	5,499	1,276
Other interest	49,748	37,143
	<u>174,389</u>	<u>216,847</u>

9 Discontinued operations

On 18 November 2016 the LLP sold its clinical negligence and brain injury departments along with their teams. This decision was taken in the light of changes in the personal injury market and the likely future direction of reforms in this sector and enables the firm to focus on its core strengths of commercial and private client work.

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

10 Tangible fixed assets

	Leasehold improvements	Office equipment and computers	Total
	£	£	£
Cost			
At 1 May 2016	638,010	3,982,498	4,620,508
Additions	3,303	68,322	71,625
Disposals	(53,244)	(2,794,683)	(2,847,927)
At 30 April 2017	588,069	1,256,137	1,844,206
Depreciation and impairment			
At 1 May 2016	495,864	3,519,930	4,015,794
Depreciation charged in the year	45,697	97,705	143,402
Eliminated in respect of disposals	(36,446)	(2,716,021)	(2,752,467)
At 30 April 2017	505,115	901,614	1,406,729
Carrying amount			
At 30 April 2017	82,954	354,523	437,477
At 30 April 2016	142,146	462,568	604,714

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 such assets amounted to £31,269 (2016 - £7,940) for the year.

	2017 £	2016 £
Leasehold Improvements	82,199	104,119
Office equipment and computers	37,393	46,742
	119,592	150,861

11 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	21	1	1

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

(Continued)

11 Fixed asset investments

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 May 2016 & 30 April 2017	1
Carrying amount	
At 30 April 2017	1
At 30 April 2016	1

12 Work in progress

	2017 £	2016 £
Work in progress	620,070	2,023,188

13 Financial Instruments

All financial assets and liabilities are measured at amortised cost.

14 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	1,515,323	1,895,903
Amounts due from members	-	88,565
Other debtors	1,749,328	2,038,758
Prepayments and accrued income	4,305,528	4,132,961
	7,570,179	8,156,187

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

15 Loans and overdrafts

	2017 £	2016 £
Bank loans	266,667	1,050,000
Bank overdrafts	2,520,063	3,730,878
Other loans	1,498,109	896,470
	<u>4,284,839</u>	<u>5,677,348</u>
Payable within one year	3,324,585	5,303,804
Payable after one year	<u>960,254</u>	<u>373,544</u>

The bank loans and overdraft are secured by a debenture over all of the assets of the LLP and a guarantee limited to £300,000 given by the members.

Included within bank loans is a loan with a balance of £266,667 on which interest is charged at base rate plus 2.45%.

16 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Bank loans and overdrafts	15	2,786,730	4,780,878
Obligations under finance leases	18	51,200	51,200
Other borrowings	15	537,855	522,926
Trade creditors		197,618	324,725
Other taxation and social security		462,948	414,849
Other creditors		18,561	25,116
Accruals and deferred income		506,455	217,026
		<u>4,561,367</u>	<u>6,336,720</u>

17 Creditors: amounts falling due after more than one year

	Notes	2017 £	2016 £
Obligations under finance leases	18	39,701	90,901
Other borrowings	15	960,254	373,544
		<u>999,955</u>	<u>464,445</u>

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2017

18 Finance lease obligations

	2017	2016
	£	£
Future minimum lease payments due under finance leases:		
Within one year	51,200	51,200
Within two and five years	39,701	90,901
	<u>90,901</u>	<u>142,101</u>

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.

19 Loans and other debts due to members

	2017	2016
	£	£
Analysis of loans		
Amounts falling due within one year	<u>3,445,068</u>	<u>3,984,762</u>

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

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:

	2017	2016
	£	£
Within one year	658,137	687,456
Between two and five years	2,036,855	2,284,375
In over five years	1,010,800	1,393,333
	<u>3,705,792</u>	<u>4,365,164</u>

HLW KEEBLE HAWSON LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2017

21 Subsidiaries

These financial statements are separate limited liability partnership financial statements for hlw Keeble Hawson LLP.

Details of the limited liability partnership's subsidiaries at 30 April 2017 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
KH Injury Lawyers Limited	England & Wales	Dormant	Ordinary	100.00

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
KH Injury Lawyers Limited	-	1

22 Members' transactions

Rent of £380,000 (2016: £380,000) was paid to a Self Invested Personal Pension (SIPP) in which certain members have an interest. The members of the SIPP are Alaric Birch, Roger Dyson, Richard Smith, Barry Warne and Robert Wilson.

The members gave a guarantee to the bankers of the company totalling £300,000 as referred to in note 15 of the financial statements.

23 Cash generated from operations	2017 £	2016 £
Profit for the year	3,119,565	2,177,215
Adjustments for:		
Finance costs recognised in profit or loss	174,389	216,847
Investment income recognised in profit or loss	(88,453)	(86,733)
Loss on disposal of tangible fixed assets	95,460	-
Gain on disposal of discontinued operations	(1,000,000)	-
Depreciation and impairment of tangible fixed assets	143,402	204,814
Movements in working capital:		
Decrease in stocks	1,403,118	235,683
Decrease/(increase) in debtors	497,443	(82,470)
Increase in creditors	203,866	14,088
Cash generated from operations	4,548,790	2,679,444