

Harris & Harris Legal Services LLP

**Annual Report and Unaudited Financial Statements
Year Ended 30 June 2019**

Registration number: OC411251



Harris & Harris Legal Services LLP

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Harris & Harris Legal Services LLP

Statement of Members' Responsibilities

Year Ended 30 June 2019

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.

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 (issued January 2017). 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.

Harris & Harris Legal Services LLP

Balance Sheet

30 June 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	3	322,015	323,217
Investments	4	84,058	82,191
		<u>406,073</u>	<u>405,408</u>
Current assets			
Debtors	5	728,424	646,589
Cash and short-term deposits		203,384	297,521
		<u>931,808</u>	<u>944,110</u>
Creditors: Amounts falling due within one year	6	<u>(210,301)</u>	<u>(239,300)</u>
Net current assets		<u>721,507</u>	<u>704,810</u>
Total assets less current liabilities		1,127,580	1,110,218
Creditors: Amounts falling due after more than one year	7	<u>(60,163)</u>	<u>(71,438)</u>
Net assets attributable to members		<u>1,067,417</u>	<u>1,038,780</u>
Represented by:			
Loans and other debts due to members			
Members' capital classified as a liability		968,915	942,145
Members' other interests			
Revaluation reserve		98,502	96,635
		<u>1,067,417</u>	<u>1,038,780</u>
Total members' interests			
Loans and other debts due to members		968,915	942,145
Equity		98,502	96,635
		<u>1,067,417</u>	<u>1,038,780</u>

The notes on pages 4 to 9 form an integral part of these financial statements.

Harris & Harris Legal Services LLP

Balance Sheet

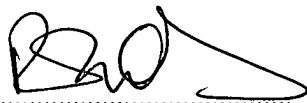
30 June 2019 (continued)

For the year ending 30 June 2019 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to Limited Liability Partnerships. The designated members acknowledge their responsibilities for complying 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), with respect to accounting records and the preparation of accounts.

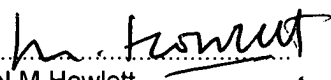
These financial statements have been prepared and delivered in accordance with the special provisions within Part 15 of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 as 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 members acknowledge their responsibilities for complying 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 with respect to accounting records and the preparation of accounts.

The financial statements of Harris & Harris Legal Services LLP (registered number OC411251) were approved by the members and authorised for issue on 12/12/19. They were signed on behalf of the limited liability partnership by:



R A Callaby
Designated member



N M Howlett
Designated member

Registration number: OC411251

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Notes to the Financial Statements

Year Ended 30 June 2019

1 Accounting policies

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

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

General information and basis of accounting

The limited liability partnership is incorporated in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 (FRS102) including Section 1A issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability partnership (issued July 2014).

Revenue recognition

Turnover represents the right to consideration earned for the provision of legal services excluding VAT. All turnover derives from activities in the UK.

Services provided to clients during the period which at the balance sheet date, have not been invoiced to clients, have been recognised in turnover in accordance with applicable Accounting Standards and UK GAAP.

Turnover recognised is based on an assessment of the fair value of services provided by the balance sheet date as a proportion of the total value of the engagement. Revenue is not recognised on those engagements where the right to receive payment is contingent on factors outside the control of the LLP. Unbilled revenue is included within debtors.

Members' remuneration and division of profits

Profits are automatically allocated to members. They are therefore shown as "Members' remuneration charged 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 included within "loans and other debts due to members" in the Balance Sheet.

Unallocated profits and losses are included within Other Reserves.

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Notes to the Financial Statements (continued)

Year Ended 30 June 2019

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 is 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.

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
Freehold land and buildings	Nil
Long leasehold property	Over the life of the lease
Motor vehicles	25% reducing balance
Office equipment	15% reducing balance

Fixed asset investments

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the limited liability partnership will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the limited liability partnership does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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Notes to the Financial Statements (continued)

Year Ended 30 June 2019

1 Accounting policies (continued)

Members' interests

Amounts due to members after more than one year comprise provisions for annuities to current members and certain loans from members which are not repayable within twelve months of the balance sheet date.

Pensions and other post retirement obligations

The partnership operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

Financial instruments

Classification

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

The LLP holds the following financial instruments, all of which meet the conditions to be classified as basic instruments:

Finance loans

Short term debtors and creditors

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 judgements.

2 Particulars of employees

The average number of persons employed by the limited liability partnership during the year was 51 (2018 - 44).

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Notes to the Financial Statements (continued)

Year Ended 30 June 2019

3 Tangible fixed assets

	Freehold land and buildings £	Long leasehold land and buildings £	Office equipment £	Total £
Cost				
At 1 July 2018	265,000	21,251	482,964	769,215
Additions	-	-	7,781	7,781
At 30 June 2019	265,000	21,251	490,745	776,996
Depreciation				
At 1 July 2018	-	9,350	436,649	445,999
Charge for the year	-	850	8,132	8,982
At 30 June 2019	-	10,200	444,781	454,981
Net book value				
At 30 June 2019	265,000	11,051	45,964	322,015
At 30 June 2018	265,000	11,901	46,315	323,216

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Notes to the Financial Statements (continued)

Year Ended 30 June 2019

3 Tangible fixed assets (continued)

Included within the net book value of land and buildings above is £265,000 (2018 - £265,000) in respect of freehold land and buildings and £11,051 (2018 - £11,901) in respect of leaseholds.

4 Investments held as fixed assets

	2019 £	2018 £
Other investments	<u>84,058</u>	<u>82,191</u>

Other investments

	Unlisted investments £	Total £
Cost		
At 1 July 2018	82,191	82,191
Revaluation	<u>1,867</u>	<u>1,867</u>
At 30 June 2019	<u>84,058</u>	<u>84,058</u>
Net book value		
At 30 June 2019	<u>84,058</u>	<u>84,058</u>
At 30 June 2018	<u>82,191</u>	<u>82,191</u>

Details of undertakings

Details of the investments in which the limited liability partnership holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held	Principal activity
Subsidiary undertakings				
Rebac Properties Limited	England & Wales	Ordinary	80%	Property management

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Notes to the Financial Statements (continued)

Year Ended 30 June 2019

4 Investments held as fixed assets (continued)

Subsidiaries

The loss for the financial period of Rebac Properties Limited was £2,880 and the aggregate amount of capital and reserves at the end of the period was (£105,072).

5 Debtors

	2019 £	2018 £
Trade debtors	244,988	208,391
Prepayments and accrued income	483,436	438,198
	<u>728,424</u>	<u>646,589</u>

6 Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	9,132	12,785
Taxation and social security	124,474	121,509
Other creditors	57,940	86,406
Accruals and deferred income	18,755	18,600
	<u>210,301</u>	<u>239,300</u>

Capital loans and other debts due to members rank pari passu with creditors, in accordance with the members' agreement. There are no restrictions on the members' ability to reduce the amount of members' other interests.

7 Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other creditors	<u>60,163</u>	<u>71,438</u>

8 Control

The members are the controlling party by virtue of their controlling interest in the limited liability partnership. The ultimate controlling party is the same as the controlling party.