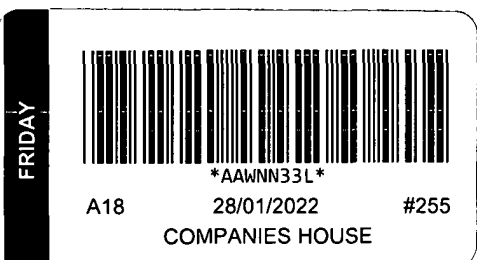




Reynolds Porter Chamberlain LLP

Report and Financial Statements

For the year ended 30 April 2021



Reynolds Porter Chamberlain LLP

Contents

Designated members, officers and professional advisers	3
Members' report	4
Statement of members' responsibilities	8
Streamlined energy and carbon report	9
Independent auditor's report	10
Consolidated statement of comprehensive income	14
Consolidated statement of financial position	15
LLP statement of financial position	16
Consolidated statement of changes in members' interests	17
LLP statement of changes in members' interests	18
Consolidated statement of cash flows	19
Notes to the financial statements	20

Designated members, officers and professional advisers

DESIGNATED MEMBERS

TRB Anderson

JJ Drew

GR Elliott

KM Hendy

SA Laird

JP Miller

REGISTERED OFFICE

Tower Bridge House

St Katharine's Way

London E1W 1AA

AUDITOR

BDO LLP

55 Baker Street

London

W1U 7EU

BANKERS

Coutts & Co

440 Strand

London

WC2R 0QS

Members' report

The members submit their report and the consolidated financial statements of Reynolds Porter Chamberlain LLP and its subsidiary undertakings for the year ended 30 April 2021.

Reynolds Porter Chamberlain LLP (the LLP) is a limited liability partnership registered in England and Wales. The consolidated financial statements incorporate the financial statements of Reynolds Porter Chamberlain and its subsidiary undertakings (the Group) for the year ended 30 April 2021.

Principal Activities

The principal activity of the Group is that of providing legal services within the United Kingdom and Asia. All results derive from continuing activities.

Review of the business

We were very pleased by the performance and resilience of the business during the year to 30th April 2021, a year of considerable turmoil and uncertainty due to the COVID-19 pandemic the effects of which were felt throughout the full 12 months. Our commitment to providing exceptional service to our clients remained our primary focus during the year and demand for legal services continued to be strong, increasing as the financial year progressed.

The business achieved strong turnover growth of 23% and a 55% increase in profit. This reflects the hard work of our people over the year in challenging and exceptional circumstances and our continued prioritisation of investment in the business including hiring and developing new talent. Net headcount increased by about 9% over the course of the year but we maintained tight control over costs, with overall costs per fee earner increasing by a modest 1% year on year. Costs were also kept low due to reduced office occupancy during lockdowns and strong cost controls intended to strengthen the firm's balance sheet in a period of uncertainty.

	2021 £000	2020 £000
Turnover for the year under FRS 102	132,474	108,575
Singapore Joint Legal Venture & Premier Law turnover not included in consolidation	2,913	1,109
Adjusted Group Turnover for the year	<u>135,387</u>	<u>109,684</u>
Profit for the financial year before members' remuneration and profit shares	44,642	29,162
Singapore Joint Legal Venture & Premier Law profits/(losses) not included in consolidation	(185)	(553)
Profit share of non-member international partners included within "Staff costs"	4,590	2,991
Total gross profit available for distribution to partners	<u>49,047</u>	<u>31,600</u>

	Notes	2021 No.	2020 No.
Average number of members	6	70	65
Average number of non-member partners with equivalent status		<u>25</u>	<u>10</u>
Average number of partners		<u>95</u>	<u>75</u>

Members' report (continued)

Going Concern

The Covid-19 pandemic created significant uncertainty in the business world across the globe since it hit at the beginning of 2020 and the Group has been in no way completely insulated from its impacts. However, business activity levels since March 2020 have been robust across most areas of the practice. The value of chargeable work recorded (WIP generation), billing and collections have all increased compared to previous financial periods. The Board has continued to monitor business levels, cash flows and cash balances closely. The overdraft facility was renewed in July 2021.

The Board has produced cash flow estimates for at least the next 12 months from the date of approval of these financial statements, has reviewed the Group's business resilience and continuity planning and believes that the Group has adequate financial 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.

The overdraft facility of £12.5 million is due for renewal in August 2022. Although this falls within the going concern period the members confirm that, from the stress testing of forecasts and scenarios analysed, which included modelling reductions in cash collections over the period to April 2023 and a series of levers available to the group, which when applied provided sufficient cash headroom, they are satisfied that the Group has sufficient resources to meet its obligations as they fall due.

Principal risks and uncertainties

The main risk and uncertainty affecting the Group is the economic conditions under which it operates and hence the market for high quality legal services. The other connected risk is the ability to attract and retain highly talented teams and individuals. The Group manages these risks by seeking out opportunities to increase value to clients and by constantly developing its members and staff.

Management structure

The Executive Committee is the main management body and is responsible for reviewing the strategy and performance of the Group and determining the allocation of profits. The Executive Committee is chaired by the Managing Partner who is elected by all members for a period of three years. The Managing Partner nominates the other members of the Executive Committee. The Executive Committee currently consists of the designated members, with the CFO and COO as permanent invitees.

Staff

The Group is committed to diversity and inclusion in all its forms. Our people are diverse and chosen for their experience, potential and personal attributes regardless of gender, sexual orientation, marital status, age, nationality, ethnic origin, religion or disability.

Effective communication and engagement with our staff are key for us to support our clients and achieve our business ambitions, including introducing change, improving client service, recruiting and retaining people, generating new ideas and maintaining high standards in regulatory matters. We do everything you would expect from a modern firm in order to keep our people informed and involved in the matters that are important to them and our business and ensure they are encouraged to share their views and generate ideas.

We recognise that we have a long way to go on our journey towards true inclusion and diversity (I&D), but we are confident we have made good progress over the course of the last 12 months. Working across eight core workstreams – ethnicity; caring responsibilities; disability; mental health; social mobility; belief; gender; and LGBT+ – we have been and remain engaged in pushing our I&D agenda and running a full calendar of I&D events and initiatives aimed at both our own people and clients during every month of the year.

For example, during the year and amongst many other programmes and initiatives, we signed up to the Race Fairness Commitment and began supporting the 10,000 Black Interns programme. We also finalised our Race and Ethnicity Diversity plan following input from people across the business.

Members' report (continued)

Mental health has been a particular focus for RPC, generally but especially during the pandemic, and we have seen a good number of our people taking advantage of the "on-site" clinical psychologist that we made available to the whole firm, starting in March 2020. We were also amongst the early wave of law firms to sign up to the Mindful Business Charter, and have been working with our teams to implement its principles. We have also offered regular mental health first aid training sessions for volunteers across the firm with Mental Health First Aid England.

Our work in the social mobility space has continued to go from strength to strength. We have been ranked in the Top 75 Employers in the Social Mobility Employers Index for the last three years and we continue to run mentoring programmes at schools in East London and Bristol. We have been using Rare's contextualised recruitment tool since 2015 and have partnered with Aspiring Solicitors since 2018. Our apprenticeship programme for both lawyers and business services people remains very successful.

We are continuing to focus on reducing our gender pay gap and are signatories to The Law Society's Women in Law Pledge. We committed to a 15-point Gender Balance Plan which identifies where gender imbalance might occur in the firm and suggests approaches to address the issue. Many of our people also act as both mentors and mentees of the 30% Club.

Working regularly with clients, we continue to be a major and active supporter of LINK, the cross-market LGBT+ insurance network. We host regular I&D roundtable events for the British Retail Consortium. And one of our Partners co-hosts The Fix, the popular equality podcast, with Michelle King. We are also proud to continue to remain a Top 25 Law Firm in Stonewall's Employer Index.

On charitable giving, we have worked with and raised funds for a number of organisations across the UK, including Duchenne UK, The Felix Project and Refuge. Our lawyers and business services people are also actively engaged in pro bono, notably working on activities to combat financial crime, and contributing to organisations such as Launch It and the Liberty human rights charity Advice Line.

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

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the Group.

Profits are determined, allocated and divided between members after the year end. Where members are contractually entitled to remuneration this is treated as members' remuneration charged as an expense in the profit and loss account and allocated at the year end.

Members are invited to subscribe a level of capital, the amounts of which are determined by the performance and seniority of those members. On retirement, capital is repaid to members.

Designated members

The following were designated members during the year ended 30 April 2021:

- TRB Anderson
- JJ Drew
- KM Hendy
- G Elliott (Appointed 29 October 2020)
- T Hibbert (Resigned 28 October 2020)
- SA Laird
- JP Miller (Managing Partner)

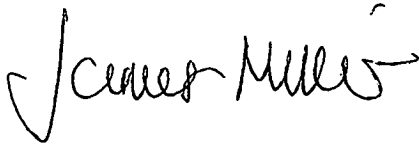
Members' report (continued)

Auditor

All of the current members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the partnership's auditor for the purpose of their audit and to establish that the auditor is aware of that information. The members are not aware of any relevant audit information of which the auditor is not aware.

A resolution to reappoint BDO LLP, Chartered Accountants, will be put to the members at the annual general meeting.

Approved by the members and signed on their behalf

A handwritten signature in black ink that reads "James Miller". The signature is written in a cursive style with a long horizontal stroke at the end.

JP Miller

Designated member

27 January 2022

Statement of members' responsibilities

In the preparation of financial statements

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the group and limited liability partnership financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under these Regulations, 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 Group and of the profit or loss of the Limited Liability Partnership and Group for that period.

In preparing those financial statements, the members are required to:

- (a) select suitable accounting policies and then apply them consistently;
- (b) make judgements and accounting estimates that are reasonable and prudent;
- (c) state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- (d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership and Group 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 Limited Liability Partnerships (Accounts and Audit) (Application of the 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.

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

Streamlined energy and carbon report

2020 was the Group's second year of business carbon footprint reporting and certification to The Planet Mark. Reporting parameters encompassed the carbon footprint of RPC's London and Bristol operational sites and associated emissions from purchased electricity, transmission and distribution losses, natural gas, water, waste, business travel and printing paper.

The group won the 'Absolute Carbon Reduction' award at the Planet Mark Awards for the business that made the greatest percentage reduction in absolute carbon in 2020. And has set a target to reduce carbon emissions by a minimum of 2.5% every year from the 2020 reporting period onwards.

Emissions and Energy Usage

In the period covered by the report the Group used 868,158 kWh of Electricity (2020: 1,214,456) and was responsible for 184 tonnes of carbon dioxide (2020: 283) within the UK.

Intensity measures

Measure	Co2 Tonnes	
	2021	2020
CO2 Tonne Per £m UK Revenues	1.50	2.83
CO2 Tonne per UK Full Time Equivalent (including Members)	0.28	0.46

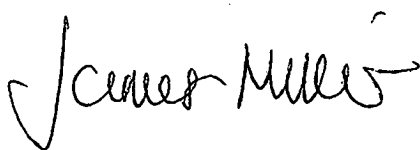
Methodology

The Group's Carbon emissions arise from electricity usage in its UK offices. The data has been gathered from electricity bills covering the reporting period. CO2 emissions have been estimated using the UK Government GHG Conversion factor for UK Electricity 2021 0.21233 KgCO2e/kWh (2020: 0.23314 KgCO2e/kWh).

A list of members of the LLP can be found at:

<https://find-and-update.company-information.service.gov.uk/company/OC317402/officers>.

Approved by the members and signed on their behalf by



JP Miller

Designated member

27 January 2022

Independent auditor's report to the members of Reynolds Porter Chamberlain Limited Liability Partnership

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Limited Liability Partnership's affairs as at 30 April 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of Reynolds Porter Chamberlain LLP ("the Limited Liability Partnership") and its subsidiaries ("the Group") for the year ended 30 April 2021 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Limited Liability Partnership Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Members' Interests, Limited Liability Partnership Statement of Changes in Members' Interests and notes to the financial statements, including a summary of 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and 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.

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 Group or 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.

Independent auditor's report to the members of Reynolds Porter Chamberlain Limited Liability Partnership (Continued)

Other information

The Members are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting as applied to limited liability partnerships

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 Statement of members' responsibilities, 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 Group's and 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 Group or 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.

Independent auditor's report to the members of Reynolds Porter Chamberlain Limited Liability Partnership (Continued)

Extent to which the audit was 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, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to Reynolds Porter Chamberlain LLP and the Group. We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (FRS 102 and the Companies Act 2006 as applied to LLPs), regulations impacting labour regulations and the Solicitors Regulation Authority rules in the United Kingdom.

- We understood how the Group and Limited Liability Partnership is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and confirmation from insurers of the status of and completeness of professional indemnity claims ongoing at year end. Our review of legal expense accounts was performed to ensure no other material legal matters were identified through our audit procedures.
- We assessed the susceptibility of the Group and Limited Liability Partnership's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it is considered there was a susceptibility of fraud. Our considerations included enquiries with management and group management.
- We also considered potential fraud drivers: including financial or other pressures, opportunity, and personal or corporate motivations. We considered the programmes and controls that the Group and Limited Liability Partnership has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and key areas of estimation uncertainty or judgement, for example; estimations of valuation of amounts recoverable on contracts relating to work performed in the year and estimation of provisions in place for trade receivables.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

Independent auditor's report to the members of Reynolds Porter Chamberlain Limited Liability Partnership (Continued)

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 Limited Liability Partnerships (Accounts and Audit) (Application of the 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 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.

DocuSigned by:

Andrew Radford

A42BFCDC38704BE...

Andrew Radford (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom
27 January 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of comprehensive income

For the year ended 30 April 2021

	Notes	2021 £000	2020 £000
TURNOVER		132,474	108,575
Other operating income		373	25
		<u>132,847</u>	<u>108,600</u>
OPERATING EXPENSES			
Staff costs	5	(58,195)	(50,544)
Depreciation		(1,150)	(1,264)
Other administrative expenses		(28,471)	(27,225)
GROUP OPERATING PROFIT	3	<u>45,031</u>	<u>29,567</u>
Interest receivable and similar income		78	148
Interest payable and similar charges	4	(467)	(554)
PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES		<u>44,642</u>	<u>29,161</u>
Members' remuneration charged as an expense		(607)	(656)
Profit for the financial year available for discretionary division among members		<u>44,035</u>	<u>28,505</u>
Currency translation (loss)/gain on foreign currency net investments		(177)	76
Total comprehensive income for year available for discretionary division among members		<u><u>43,858</u></u>	<u><u>28,581</u></u>

The profit for the year arises from the Group's continuing operations.

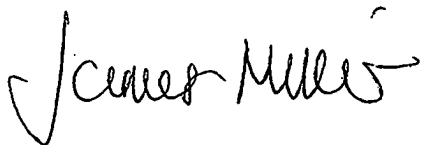
The notes on pages 20 to 33 form part of these financial statements.

Consolidated statement of financial position

30 April 2021

	Notes	2021 £000	2020 £000
FIXED ASSETS			
Tangible assets	8	3,514	3,578
Intangible assets	9	326	335
Investments	10	2,182	2,193
		<u>6,022</u>	<u>6,106</u>
CURRENT ASSETS			
Unbilled revenue		7,476	5,515
Debtors	11	81,974	69,743
Amounts due from members		9,084	6,495
Cash at bank and in hand		2,003	656
		<u>100,537</u>	<u>82,409</u>
CREDITORS: Amounts falling due within one year	12	(38,032)	(36,776)
NET CURRENT ASSETS		<u>62,505</u>	<u>45,633</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		68,527	51,739
CREDITORS: Amounts falling due after more than one year	13	(1,277)	(1,970)
PROVISIONS FOR LIABILITIES	16	(3,292)	(2,952)
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>63,958</u>	<u>46,817</u>
REPRESENTED BY:			
LOANS AND OTHER DEBTS DUE TO MEMBERS			
Members' capital classified as a liability		20,743	19,269
EQUITY			
Members' other reserves		43,106	27,722
Translation reserve		109	(174)
		<u>63,958</u>	<u>46,817</u>
TOTAL MEMBERS' INTERESTS			
Amounts due from members		(9,084)	(6,495)
Loans and other debts due to members		20,743	19,269
Members' other interests		43,106	27,722
		<u>54,765</u>	<u>40,496</u>

The financial statements on pages 14 to 33 were approved by the members, authorised for issue and signed on their behalf on 27 January 2022 by:



JP Miller

Designated member

Registered number OC317402

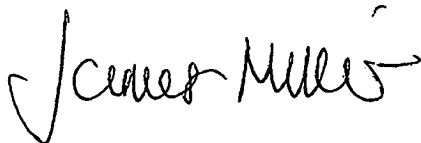
The notes on pages 20 to 33 form part of these financial statements.

LLP statement of financial position

30 April 2021

	Notes	2021 £000	2020 £000
FIXED ASSETS			
Tangible assets	8	1,988	1,419
Intangible assets	9	326	335
Investments	10	<u>2,182</u>	<u>2,193</u>
		4,496	3,947
CURRENT ASSETS			
Unbilled revenue		6,925	5,232
Debtors	11	81,644	71,195
Amounts due from members		9,084	6,495
Cash at bank and in hand		<u>1,657</u>	<u>303</u>
		99,310	83,225
CREDITORS: Amounts falling due within one year	12	(33,707)	(33,765)
NET CURRENT ASSETS		<u>65,603</u>	<u>49,460</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		70,099	53,407
CREDITORS: Amounts falling due after more than one year	13	(194)	(98)
PROVISIONS FOR LIABILITIES	16	(2,838)	(2,469)
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>67,067</u>	<u>50,840</u>
REPRESENTED BY:			
LOANS AND OTHER DEBTS DUE TO MEMBERS			
Members' capital classified as a liability		20,743	19,269
EQUITY			
Members' other reserves		46,353	31,625
Translation reserve		(29)	(54)
		<u>67,067</u>	<u>50,840</u>
TOTAL MEMBERS' INTERESTS			
Amounts due from members		(9,084)	(6,495)
Loans and other debts due to members		20,743	19,269
Members' other interests		46,353	31,625
		<u>58,022</u>	<u>44,399</u>

The financial statements on pages 14 to 33 were approved by the members, authorised for issue and signed on their behalf on 27 January 2022 by:



JP Miller
Designated member

Registered number OC317402

The notes on pages 20 to 33 form part of these financial statements.

The profit available for discretionary division among members of the parent LLP for the year was £47,282,129 (2020: £32,407,859).

Consolidated statement of changes in members' interests

30 April 2021

	Members' Equity Interests	Loans and other debts from members			Total members' interest
	Other reserves £000	Members' capital classed as a liability £000	Other reserves £000	Total £000	Total £000
Balance at 1 May 2019	25,723	16,309	(4,548)	11,761	37,484
Members remuneration charged as an expense	-	-	656	656	656
Profit for the financial year available for division among members	28,505	-	-	-	28,505
Members' interests after profit for the year	54,228	16,309	(3,892)	12,417	66,645
Profit allocated	(26,506)	-	26,506	26,506	-
Capital introduced by members	-	5,031	-	5,031	5,031
Repayment of capital	-	(2,071)	-	(2,071)	(2,071)
Drawings	-	-	(29,109)	(29,109)	(29,109)
Balance at 30 April 2020	27,722	19,269	(6,495)	12,774	40,496
Members remuneration charged as an expense	-	-	607	607	607
Profit for the financial year available for division among members	44,035	-	-	-	44,035
Members' interests after profit for the year	71,757	19,269	(5,888)	13,381	85,138
Profit allocated	(28,651)	-	28,651	28,651	-
Capital introduced by members	-	2,620	-	2,620	2,620
Repayment of capital	-	(1,146)	-	(1,146)	(1,146)
Drawings	-	-	(31,847)	(31,847)	(31,847)
Balance at 30 April 2021	43,106	20,743	(9,084)	11,659	54,765

LLP statement of changes in members' interests

30 April 2021

	Members' Equity Interests	Loans and other debts from members			Total members' interest
	Other reserves £000	Members' capital classed as a liability £000	Other reserves £000	Total £000	Total £000
Balance at 1 May 2019	30,415	16,309	(4,548)	11,761	42,176
Members remuneration charged as an expense	-	-	656	656	656
Profit for the financial year available for division among members	32,408	-	-	-	32,408
Members' interests after profit for the year	62,823	16,309	(3,892)	12,417	75,240
Profit allocated	(31,198)	-	31,198	31,198	-
Capital introduced by members	-	5,031	-	5,031	5,031
Repayment of capital	-	(2,071)	-	(2,071)	(2,071)
Drawings	-	-	(33,801)	(33,801)	(33,801)
Balance at 30 April 2020	31,625	19,269	(6,495)	12,774	44,399
Members remuneration charged as an expense	-	-	607	607	607
Profit for the financial year available for division among members	47,283	-	-	-	47,283
Members' interests after profit for the year	78,908	19,269	(5,888)	13,381	92,289
Profit allocated	(32,555)	-	32,555	32,555	-
Capital introduced by members	-	2,620	-	2,620	2,620
Repayment of capital	-	(1,146)	-	(1,146)	(1,146)
Drawings	-	-	(35,751)	(35,751)	(35,751)
Balance at 30 April 2021	46,353	20,743	(9,084)	11,659	58,012

Consolidated statement of cash flows

For the year ended 30 April 2021

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Profit for the financial year		44,035	28,505
Adjustments for:			
Depreciation	8	1,150	1,264
Exchange adjustment on fixed assets	8	204	(140)
Amortisation of intangible assets	9	94	62
Net interest payable	4	389	406
Decrease/(Increase) in unbilled revenue		(1,961)	107
Decrease/(Increase) in debtors		(12,231)	(11,871)
(Decrease)/Increase in creditors		5,767	4,854
Impairment of Investment		11	-
Increase in Provision		340	541
Foreign exchange on bank balances		41	(28)
		<u>37,839</u>	<u>23,700</u>
Cash from operations			
Members' drawings in relation to remuneration		(31,240)	(28,450)
Net Cash (used in)/generated from operating activities		<u>6,599</u>	<u>(4,750)</u>
Cash flows from investing activities			
Purchases of tangible fixed assets	8	(977)	(109)
Purchases of intangible assets	9	(85)	(286)
Proceeds from sale of tangible assets		5	-
Restructure of subsidiary		-	(1,000)
Interest received		78	148
		<u>(979)</u>	<u>(1,247)</u>
Net cash used in investing activities			
Cash flows from financing activities			
Capital element of lease repaid		(110)	(256)
Capital introduced by members		2,620	5,031
Capital repaid to members		(1,146)	(2,071)
Interest paid	4	(467)	(550)
New bank loans		-	6,452
Bank loans repaid		(3,111)	(2,200)
		<u>(2,214)</u>	<u>6,406</u>
Net cash (used in)/generated from financing activities			
Net increase/(decrease) in cash and cash equivalents		3,406	409
Cash and cash equivalents at beginning of year		(1,645)	(2,004)
Foreign exchange gains & losses		242	(50)
Cash and cash equivalents at end of year		<u>2,003</u>	<u>(1,645)</u>
Cash and cash equivalents comprise			
Cash at bank and at hand		2,003	656
Bank overdrafts		-	(2,301)
		<u>2,003</u>	<u>(1,645)</u>

Notes to the financial statements

For the year ended 30 April 2021

1.ACCOUNTING POLICIES

BASIS OF ACCOUNTING

Reynolds Porter Chamberlain LLP is a Limited Liability Partnership ('LLP') incorporated in England & Wales. The address of the registered office is given on page 3 and the nature of the Group's operations and its principal activities are set out in the members' report. The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland', including the Statement of Recommended Practice (2018), 'Accounting by Limited Liability Partnerships'.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 2).

PARENTAL LLP DISCLOSURE EXEMPTIONS

In preparing the separate financial statements of the parent LLP, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no Statement of Cash Flow has been presented for the parent LLP; and
- disclosures in respect of the parent LLP's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
- no disclosure has been given for the aggregate remuneration of the key management personnel of the parent LLP as their remuneration is included in the totals for the group as a whole.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate Reynolds Porter Chamberlain LLP and its subsidiary undertakings. A subsidiary undertaking for consolidation purposes is treated as a subsidiary undertaking where the LLP has a significant participating interest and exercises dominant influence over its operating and financial policy decisions.

The group holds a 50% share of RPC Premier Law (Joint Legal Venture) and of RPC Tyche LLP both are being accounted for as joint ventures under FRS 102.

Investments in joint ventures are recognised initially in the consolidated and parent Limited Liability Partnership's statements of financial position at cost. Subsequently this is adjusted to reflect the share of the total comprehensive income and equity in the joint venture, less provision for impairment in the consolidated statement of financial position of the Group. Losses in excess of the carrying amount of an investment in the joint venture are recorded as a provision only when the Group has incurred constructive obligations to repay those losses to the joint venture or has made payments on behalf of the joint venture.

GOING CONCERN

The Covid-19 pandemic created significant uncertainty in the business world across the globe since it hit at the beginning of 2020 and the Group has been in no way completely insulated from its impacts. However, business activity levels since March 2020 have been robust across most areas of the practice. The value of chargeable work recorded (WIP generation), billing and collections have all increased compared to previous financial periods. The Board has continued to monitor business levels, cash flows and cash balances closely. The overdraft facility was renewed in July 2021.

Notes to the financial statements (Continued)

For the year ended 30 April 2021

1.ACCOUNTING POLICIES (continued)

The Board has produced cash flow estimates for at least the next 12 months from the date of approval of these financial statements, has reviewed the Group's business resilience and continuity planning and believes that the Group has adequate financial 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.

The overdraft facility of £12.5 million is due for renewal in August 2022. Although this falls within the going concern period the members confirm that, from the stress testing of forecasts and scenarios analysed, they are satisfied that the Group has sufficient resources to meet its obligations as they fall due.

MEMBERS' REMUNERATION

In accordance with the provisions of the SORP, amounts due to members in respect of participation rights in the LLP that give rise to a liability are treated as members' remuneration charged as an expense in the LLP's profit and loss. These amounts consist of the fixed share of equity members' remuneration.

Any divisions out of the remaining profits are reported as equity allocations when they occur.

MEMBERS' INTEREST

Members subscribe capital in proportion to their seniority and performance. Members' capital is repayable when the member leaves the Group.

In the event of winding up, loans and other debts due to members rank equally with unsecured creditors; member's other interests rank after unsecured creditors and no additional protection is afforded to creditors.

TANGIBLE FIXED ASSETS

Fixed assets are stated at historic cost.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value over its expected useful life, as follows:

Leasehold improvements	The shorter of the life of the lease or the useful economic life of the improvement
Office fixtures and fittings	20% straight line
Computer equipment	20-33% straight line

INTANGIBLE ASSETS

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's fair value exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Notes to the financial statements (Continued)

For the year ended 30 April 2021

1.ACCOUNTING POLICIES (continued)

Software

Software represents the value allocated on acquisition of software licences, licences are amortised over 5 years.

INVESTMENTS

Fixed Asset Investments are in the form of convertible loan notes and are measured at fair value. As the shares are not publicly traded the fair value is calculated at cost less any provision for impairment. Investments in subsidiaries and joint ventures are measured at cost less accumulated impairment and are accounted for via the equity method of accounting.

TURNOVER

Turnover from services represents amounts chargeable to clients for professional services provided during the year, excluding disbursements where the firm acts as agent and sales tax. The Group only recognises turnover once services have been provided.

Services provided to clients which at the balance sheet date have not been billed have been recognised as turnover. Turnover recognised in this manner is based on an assessment of the fair value of services provided by the balance sheet date.

Where the right to receive payment is contingent on factors outside the control of the group and the matter is part of a portfolio of similar matters where we have historic data showing likely outcomes then this data is used to calculate the likelihood of success and the value likely to be recovered. This 'portfolio' approach is only taken where we are not aware of any specific reason why recovery on the matter is not probable. Where recovery is not considered probable turnover is only recognised (over and above any agreed minimum fee) when the contingent event occurs.

FOREIGN CURRENCIES

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'sterling', which is the LLP's functional and the group's presentation currency.

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates with any exchange differences taken to profit or loss. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

For consolidation purposes the assets and liabilities of overseas subsidiaries and branches are translated at closing exchange rates. The results of such undertakings are consolidated at average rates of exchange during the year. Exchange differences arising on the translations are recognised in other comprehensive income.

PENSION CONTRIBUTIONS AND POST RETIREMENT PAYMENTS TO MEMBERS

The Group makes contributions to individual employee money purchase pension plans. The pension cost charge represents amounts payable by the Group in respect of the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Notes to the financial statements (continued)

For the year ended 30 April 2021

1.ACCOUNTING POLICIES (continued)

FINANCIAL INSTRUMENTS

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those classified as at fair value through profit or loss, which are initially measured at fair value. Financial assets and liabilities are only offset in the statement of financial position when there exists a legally enforceable right to set off the recognised amounts.

LEASES

Assets held under finance leases which confer rights and obligations similar to those attached to owned assets are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to profit or loss over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding.

Rentals under operating leases are charged on a straight-line basis over the term of the lease. Benefits received as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

PROVISIONS

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the balance sheet date.

In the normal course of business, the Group may receive claims for alleged negligence. The Group maintains substantial professional indemnity cover through the commercial market. Where appropriate, provision is made for the costs arising from such claims net of the related insurance receivable. Claims notified are not expected to give rise to any material unprovided liability. Provisions for claims are made on a case-by-case basis in respect of the cost of defending claims and, where appropriate, the estimated cost to the Group of settling claims. No separate disclosure is made of the cost of claims covered by insurance, as to do so could seriously prejudice the position of the Group.

TAXATION

The taxation payable on the Group's profits is the personal liability of the members and therefore not shown in these financial statements.

SEGMENTAL INFORMATION

Segmental information is not disclosed as the members believe it would be prejudicial to the Group.

Notes to the financial statements (continued)

For the year ended 30 April 2021

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Valuation of Unbilled Revenue

The group values unbilled revenue based on an assessment of the services provided, including the use of historic recovery rates to estimate the future recoverability of the work performed. Contingent WIP is recognised based on management's experience assessing the likelihood of a successful outcome, combined with an analysis of the history of recovery on matters of a similar nature. Material estimation uncertainty arises in the application of these historical recovery rates to the gross unbilled time, however the impact of the rates on the provision is reviewed by management to assure they remain materially acceptable.

Impairment of Trade Debtors (Note 11)

The recoverable value of trade debtors has been made on the basis of estimations and assumptions regarding their fair value. Likely impairment is calculated with reference to the age of the trade debtor balance and management's understanding of likely recoverability, taking into account the history of the specific client. This provisioning is reviewed by management and compared to the firm's history of recovery to assure they remain materially acceptable.

Valuation of provisions (Note 16)

Management assess if provisions are to be included in the financial statements based on their best estimate of impact on future cash flows and whether or not an obligation is arising as a result of a past event. Provisions include expected costs for lease termination, professional indemnity settlement costs, contingent consideration and other commercial claims.

3. OPERATING PROFIT

	2021	2020
	£000	£000
Operating profit is stated after charging / (crediting):		
Depreciation on tangible fixed assets:		
– owned assets	1,035	1,042
– held under finance leases	115	222
Amortisation and impairment of intangible assets, including goodwill	94	62
Auditor's remuneration		
– statutory audit of LLP and Group financial statements	77	72
– tax	171	175
– other services	41	44
Operating lease rentals		
– plant and machinery	411	26
– land and buildings	5,154	5,197
Foreign exchange Loss/(gain)	490	(217)

Notes to the financial statements (continued)

For the year ended 30 April 2021

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2021	2020
	£000	£000
On bank loans and overdrafts	274	387
Other charges	193	167
	<u>467</u>	<u>554</u>

5. STAFF COSTS

	2021	2020
	No.	No.
The average monthly number of persons (excluding members) employed by the LLP during the year was:		
Fee earners	389	347
Support staff	280	260
	<u>669</u>	<u>607</u>

	2021	2020
	£000	£000
Staff costs for above persons:		
Wages and salaries	48,106	41,425
Social security costs	4,452	3,842
Pension costs	2,199	1,979
Other staff costs	3,438	3,298
	<u>58,195</u>	<u>50,544</u>

6. MEMBERS REMUNERATION

	2021	2020
	No.	No.
Average number of members	<u>70</u>	<u>65</u>

The estimated profit attributable to the highest paid member is £2,805,922 (2020: £1,742,600). The LLP divides profit according to the signed members' agreement, whereby profits are allocated according to interest on members' accounts and any remaining profits are allocated in profit sharing ratios prevailing at the time.

7. PROFIT OF THE LLP

The LLP has taken advantage of the exemption allowed under the Companies Act 2006 section 408 as applied to LLPs and has not presented its own statement of comprehensive income in these financial statements.

Notes to the financial statements (continued)

For the year ended 30 April 2021

8. TANGIBLE FIXED ASSETS

Group	Leasehold improvements £000	Office fixtures and fittings £000	Computer Equipment £000	Total £000
<i>Cost</i>				
At 1 May 2020	12,945	3,370	4,826	21,141
Additions	554	8	733	1,295
Disposals	-	(5)	(156)	(161)
Translation adjustment	(223)	(39)	(57)	(319)
At 30 April 2021	<u>13,276</u>	<u>3,334</u>	<u>5,346</u>	<u>21,956</u>
<i>Depreciation</i>				
At 1 May 2020	10,260	2,953	4,350	17,563
Charge for the year	625	138	387	1,150
Disposals	-	(5)	(151)	(156)
Translation adjustment	(61)	(16)	(38)	(115)
At 30 April 2021	<u>10,824</u>	<u>3,070</u>	<u>4,548</u>	<u>18,442</u>
<i>Net book value</i>				
At 30 April 2021	<u>2,452</u>	<u>264</u>	<u>798</u>	<u>3,514</u>
At 30 April 2020	<u>2,685</u>	<u>417</u>	<u>476</u>	<u>3,578</u>

Notes to the financial statements (continued)

For the year ended 30 April 2021

8. TANGIBLE FIXED ASSETS (continued)

	Leasehold improvements £000	Office fixtures and fittings £000	Computer Equipment £000	Total £000
LLP				
<i>Cost</i>				
At 1 May 2020	10,842	3,024	4,323	18,189
Additions	554	7	714	1,275
Disposals	-	-	(5)	(5)
Translation adjustment	(7)	(5)	(11)	(23)
At 30 April 2021	11,389	3,026	5,021	19,436
<i>Depreciation</i>				
At 1 May 2020	9,846	2,857	4,067	16,770
Charge for the year	344	74	280	698
Disposals	-	-	-	-
Translation adjustment	(5)	(5)	(10)	(20)
At 30 April 2021	10,185	2,926	4,337	17,448
<i>Net book value</i>				
At 30 April 2021	1,204	100	684	1,988
As 30 April 2020	996	167	256	1,419

Leased assets included within tangible fixed assets:

	Net book Value At 1 May 2020 £000	Additions £000	Depreciation £000	Net book value At 30 April 2021 £000
Group	109	318	(115)	312
LLP	83	318	(97)	304

9. INTANGIBLE ASSET

Group and LLP	Net book value At 1 May 2020 £000	Additions £000	Amortisation £000	Net book value At 30 April 2021 £000
Software	335	85	(94)	326
	335	85	(94)	326

Notes to the financial statements (continued)

For the year ended 30 April 2021

10. INVESTMENTS

	Group £000	LLP £000
Cost:		
At 1 May 2020	2,193	2,193
Impairment	(11)	(11)
At 30 April 2021	<u>2,182</u>	<u>2,182</u>
Net book value		
At 30 April 2021	<u>2,182</u>	<u>2,182</u>
At 30 April 2020	<u>2,193</u>	<u>2,193</u>

The investment relates to the LLP's share in the joint venture RPC Tyche LLP (Name changed on 30 May 2020 to from Reynolds Porter Chamberlain Consulting LLP. Registered address: 30th Floor, The Leadenhall Building, Leadenhall Street, London, England, EC3V 4AB).

For accounting purposes, at 30 April 2021 Reynolds Porter Chamberlain LLP had the power to exercise, or actually exercised a dominant influence or control over RPC Hong Kong, a partnership registered in Hong Kong, providing legal services (Registered Address: 38/F One Taikoo Place, 979 King's Road, Quarry Bay Hong Kong). Accordingly this entity has been consolidated into these Group financial statements.

At 30 April 2021 Reynolds Porter Chamberlain LLP held a 50% share of RPC Premier Law a Joint Legal Venture registered in Singapore providing legal services (Registered Address: 12 Marina Boulevard, #38-04 Marina Bay Financial Centre, Tower 3, Singapore 018982).

RPC Hong Kong is regulated by the Law Society of Hong Kong and operates in an association with Reynolds Porter Chamberlain LLP.

Other subsidiaries included the following entities:

	Proportion directly held	Nature of business	Class of holding	Country of Incorporation	Registered office address
RPC Secretaries Ltd	100%	Dormant	Ordinary shares	United Kingdom	Tower Bridge House, St Katherine's Way, London, England, E1W 1AA
RPC Consulting Ltd	100%	Dormant	Ordinary shares	United Kingdom	Tower Bridge House, St Katherine's Way, London, England, E1W 1AA

RPC Consulting Limited (Company Number 12571740) is exempt from the requirements of the Companies Act relating to the audit of individual accounts for a financial year under s479A.

Notes to the financial statements (continued)

For the year ended 30 April 2021

11. DEBTORS

	2021 £000	2020 £000
Group		
Due within one year:		
Trade debtors	71,510	57,727
Other debtors	227	357
Amounts due from related parties	4,748	4,842
Prepayments	5,490	6,817
	<u>81,974</u>	<u>69,743</u>
	2021	2020
	£000	£000
LLP		
Due within one year:		
Trade debtors	67,777	54,460
Other debtors	226	352
Amounts due from other group undertakings and other related parties	8,835	10,418
Prepayments	4,806	5,964
	<u>81,644</u>	<u>71,195</u>

The impairment loss recognised in the group profit or loss for the year in respect of bad and doubtful trade debtors was £1,691,388 (2020: £730,978). The impairment loss recognised in the LLP profit or loss for the year in respect of bad and doubtful trade debtors was £1,109,112 (2020: £473,978)

12. CREDITORS: Amounts falling due within one year

	2021 £000	2020 £000
Group		
Bank loans and overdrafts	4,109	8,637
Trade creditors	17,212	12,784
Taxation and social security	4,255	6,058
Other creditors	3,241	3,038
Accruals	9,215	6,259
	<u>38,032</u>	<u>36,776</u>
LLP		
Bank loans and overdrafts	3,616	8,172
Trade creditors	16,151	12,498
Taxation and social security	4,255	6,059
Other creditors	3,014	2,710
Accruals	6,672	4,326
	<u>33,707</u>	<u>33,765</u>

Notes to the financial statements (continued)

For the year ended 30 April 2021

13. CREDITORS: Amounts falling due after more than one year

	2021 £000	2020 £000
Group		
Bank loans	1,076	1,960
Other creditors	201	10
	<u>1,277</u>	<u>1,970</u>
LLP		
Bank loans	-	98
Other creditors	194	-
	<u>194</u>	<u>98</u>

14. ANALYSIS OF DEBT MATURITY

	2021 £000	2020 £000
Amounts repayable by instalments:		
In one year or less or on demand	654	2,836
In more than one year, but not more than two years	538	563
In more than two years, but not more than five years	538	1,397
	<u>1,730</u>	<u>4,796</u>

At 30 April 2021, the Group had bank overdraft facilities of £12.5 million of which £0 (2020: £2,301,130) was utilised. The bank overdraft is secured on the members' interests and the facility was renewed in July 2021.

One bank loan is fully repayable by 2021, bearing an interest rate of 2.75% plus BBR respectively and was for the purpose of funding the investment in and development of RPC Tyche. The balance of this loan at year end was £116,037 (2019: £382,575).

One bank loan is repayable by 2023, bears an interest rate of 2.5% plus the bank's currency funding rate for HKD. The balance at year end was HKD16,800,000 (£1,613,643) (2019: HKD22,400,000, £2,327,902).

A revolving credit facility was agreed during the year of £8,500,000, as at year end £3,500,000 had been drawn down, the facility was renewed in July 2021 and Expires in July 2024.

The loans are secured on the members' interests.

Notes to the financial statements (continued)

For the year ended 30 April 2021

15. FINANCIAL INSTRUMENTS

The Group's financial instruments may be analysed as follows:

	2021 £000	2020 £000
Financial Assets		
Financial assets measured at fair value through profit or loss	2,182	2,193
Financial assets that are debt instruments measured at amortised cost	90,300	70,750
	<u>92,482</u>	<u>72,943</u>
Financial Liabilities		
Financial liabilities measured at amortised cost	35,054	32,688
	<u>35,054</u>	<u>32,688</u>

Financial assets measured at fair value through profit or loss comprised fixed asset investments.

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, unbilled revenue and amounts due from members.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, other creditors and accruals.

16. PROVISIONS FOR LIABILITIES

	At 1 May 2020 £000	Additions £000	Unwinding of Discount £000	Amounts utilised or released in year £000	Net book value At 30 April 2021 £000
Group					
Claims	1,007	1,125	-	(1,136)	996
Dilapidations	1,945	353	51	(53)	2,296
Total	<u>2,952</u>	<u>1,478</u>	<u>51</u>	<u>(1,189)</u>	<u>3,292</u>
	At 1 May 2020 £000	Additions £000	Unwinding of Discount £000	Amounts utilised or released in year £000	Net book value At 30 April 2021 £000
LLP					
Claims	986	1,125	-	(1,134)	977
Dilapidations	1,483	353	30	(5)	1,861
Total	<u>2,469</u>	<u>1,478</u>	<u>30</u>	<u>(1,139)</u>	<u>2,838</u>

In the normal course of business, the Group may receive claims for alleged negligence. The Group maintains substantial professional indemnity cover through the commercial market. Where appropriate, provision is made for the costs arising from such claims net of the related insurance receivable. Claims notified are not expected to give rise to any material unprovided liability.

The provision for dilapidations is in respect of property leases which contain a requirement for the premises to be returned to their original state prior to the conclusion of the lease term.

Notes to the financial statements (continued)

For the year ended 30 April 2021

17. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2021, there were minimum lease payments under non-cancellable operating leases as follows:

Group	2021	2020
	£000	£000
Land and buildings		
Not later than 1 year	4,935	4,028
Later than 1 year and not later than 5 years	15,801	5,583
Greater than 5 years	713	793
	<u>21,449</u>	<u>10,404</u>
Other operating leases		
Not later than 1 year	229	269
Later than 1 year and not later than 5 years	-	-
	<u>229</u>	<u>269</u>
	<u>21,678</u>	<u>10,673</u>
LLP	2021	2020
	£000	£000
Land and buildings		
Not later than 1 year	3,520	2,454
Later than 1 year and not later than 5 years	11,556	860
Greater than 5 years	-	-
	<u>15,076</u>	<u>3,314</u>
Other operating leases		
Not later than 1 year	229	270
Later than 1 year and not later than 5 years	-	-
	<u>229</u>	<u>270</u>
	<u>15,305</u>	<u>3,584</u>

18. CONTROLLING PARTY

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

19. RELATED PARTY TRANSACTIONS

There is no ultimate controlling party of RPC LLP.

The LLP has taken advantage of the exemption under FRS 102 not to disclose transactions between the LLP itself and its wholly owned subsidiary. Transactions between the LLP and its subsidiaries, which are related parties, have been eliminated on consolidation.

During the normal course of business, the Group undertakes a number of transactions with members (e.g. subscription of capital, drawings etc.), which are governed by the LLP's Members Agreement. There were no transactions with members requiring disclosure under the guidance of FRS 102 in either the current or preceding financial year.

Key management personnel include all designated members and a number of senior members and senior managers across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £9,734,500 (2020 - £6,977,436).

Notes to the financial statements (continued)

For the year ended 30 April 2021

19. RELATED PARTY TRANSACTIONS (continued)

During the year the LLP undertook a number of transactions with RPC Premier Law, a joint legal venture 50% owned by the LLP and 50% owned by Premier Law. The LLP also undertook transactions with Premier Law. The LLP received income of £975,660 (2020: £1,339,517) from these related parties and recharged costs to them of £372,143 (2020: £1,194,390).

At 30 April 2021 the LLP was owed £584,405 by RPC Premier Law (2020: owed £167,757) and £1,484,290 by Premier Law (2020: £1,143,925).

The LLP also undertook transactions with RPC Tyche LLP during the year.

Loan to Reynolds Porter Chamberlain Tyche LLP	£750,000
Charges to Reynolds Porter Chamberlain Tyche LLP for services provided	£146,572

The outstanding balance with Reynolds Porter Chamberlain Tyche LLP at 30 April 2021 was a debtor of £2,742,982 (2020: £3,520,593)

20. CAPITAL COMMITMENTS

The Group had no capital commitments approved and contracted for but not provided for in these financial statements (2020: £nil).