

CMS Cameron McKenna Nabarro Olswang LLP

**CMS Cameron McKenna Nabarro Olswang LLP**  
**Annual report and consolidated financial**  
**statements**  
**Year ended**  
**30 April 2023**

Registration No: OC310335

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## Officers and Professional Advisers

**Registered No:** OC310335

### **Designated members**

S S A Millar

S P Warne

### **Auditor**

PricewaterhouseCoopers LLP ("PwC")

Statutory Auditor

Atria One

144 Morrison St

Edinburgh EH3 8EB

United Kingdom

### **Bankers**

NatWest Group plc

London City Office

62-63 Threadneedle Street

London

EC2R 8LA

Lloyds Banking Group

39 Threadneedle Street

London

EC2R 8AU

### **Registered office**

Cannon Place

78 Cannon Street

London

EC4N 6AF

## **Members' Report**

### **Year ended 30 April 2023**

The Board is pleased to present its annual report together with the audited consolidated financial statements and auditors' report for the year ended 30 April 2023.

#### **Principal activity and Group structure**

The financial statements consolidate the financial statements of CMS Cameron McKenna Nabarro Olswang LLP ("the LLP") and its subsidiaries and related undertakings (collectively "the Group")

The Group's principal activity is the provision of legal and tax services.

The Group is a founding partner of the CMS network, which is an organisation of 19 independent law firms that operate under the CMS brand across the world.

The Group has agreements to provide legal and tax services with other participating firms from this network.

During the year, the Group had offices in the following locations:

- UK: London, Aberdeen, Bristol, Edinburgh, Glasgow, Leeds, Liverpool, Manchester, Reading and Sheffield,
- Overseas: – Europe: Belgium, Bulgaria, Czechia (Czech Republic), Hungary, Poland, Romania, Slovakia, Ukraine,
- Overseas: – Rest of the World: Australia, Brazil, China, Hong Kong (SAR), Israel, Oman, Singapore, Türkiye (Turkey), United Arab Emirates.

The term 'member' in this document is used to refer only to a member of the LLP. A list of members' names is available for inspection at Cannon Place, 78 Cannon Street, London EC4N 6AF, which is also the registered office and principal place of business of CMS Cameron McKenna Nabarro Olswang LLP. More information about the LLP is available on its website [www.cms-cmno.com](http://www.cms-cmno.com).

#### **Review of the business and future developments**

The results for the year are set out on page 22. The LLP's business plan is to continue to invest and grow, in particular in its existing locations and key sectors while retaining appropriate profitability.

Following a decision to simplify the group structure and reduce the operational and running costs (e.g. tax compliance and audit fees), with effect from 31 March 2023, staff who had been previously employed by CMS Cameron McKenna Nabarro Olswang Services Limited were transferred to be directly employed by the LLP with no changes to terms of employment.

As reported last year, the LLP had a one third interest in a joint venture based in Moscow that provided legal and tax services to clients in Russia and overseas. Two other participating firms from the CMS network held the balance of the shares. Before the 2022 year end it had been agreed in principle to transfer ownership of this entity to the local shareholders and subsequent to that year end, a definitive agreement was entered into to give effect to the transfer. As part of the agreement all outstanding loans to the Moscow entity were written off and the Group agreed to make a one off contribution to its future costs.

## **Members' Report (continued)**

### **Year ended 30 April 2023**

Our Ukrainian entity has temporarily closed its Kyiv office and staff have switched to working remotely and a significant number have relocated to other offices. Business continues as normal as much as possible.

The results for the year and financial position at the end of the year are considered satisfactory by the members who expect continued profitable trading for the foreseeable future.

Higher levels of inflation in the global economy have brought new financial challenge for the buyers of legal services. We have looked at a number of different scenarios over the next few years and are planning to ensure that we have sufficient liquidity. See note 1 for details on the adoption of the going concern basis.

#### **Designated Members**

The Designated Members who served throughout the year and subsequently were:

Susan Penelope Warne – Senior Partner  
Stephen Samuel Alexander Millar – Managing Partner

#### **Members' drawings, profit share and capital subscriptions**

The LLP's policies on members' drawings and profit distribution incorporate consideration of the working capital needs of the business. Members draw a proportion of their profit share in monthly instalments during the year in which profit is earned. These drawings represent payments on account and may be reclaimed from members until profits have been divided.

The balance of profit, net of retention for UK income tax, is paid to members in instalments after the end of the year subject to the cash requirements of the LLP. Tax retentions are paid to the relevant tax authorities on behalf of members when they fall due with any excess released to members as appropriate.

The level of members' capital is determined by the members from time to time having regard to the short, medium and long term needs of the business. Capital is repaid to members on retirement from the LLP.

The LLP SORP recognises that the basis of calculating profits for allocation may differ from the profits reflected through the financial statements prepared in compliance with UK GAAP, given the established need to seek to focus profit allocation on ensuring equity between different generations and populations of members.

Consolidation of the results of certain subsidiary undertakings, the provision for annuities to former members, pension scheme charges, the spreading of acquisition integration costs and the treatment of long leasehold interests are all items which may generate differences between profits calculated for the purpose of allocation and those reported within the financial statements.

Members' fixed shares of profits and interest earned on members' balances are automatically allocated and are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.

## **Members' Report (continued)**

### **Year ended 30 April 2023**

The remainder of profit shares, which have not been divided until after the balance sheet date, are treated in these financial statements as unallocated at the balance sheet date and included within other reserves.

#### **Audit and Risk Committee**

The Audit and Risk Committee (the "Committee") has four members and is chaired by Caryn Miller, a member of the LLP. The terms of reference of the Committee include the review of the Group's financial statements and to receive reports from the external auditor regarding their findings from the audit. The Committee also considers the scope, results and effectiveness of the external audit including review of the independence of the external auditor, non-audit services and fees. The Finance Director, General Counsel and other senior personnel, together with the external auditor, attend Committee meetings by invitation.

#### **Diversity and inclusion**

The Group's diversity and inclusion programme has the objective of developing and supporting an inclusive workplace that recognises high performance regardless of an individual's race, colour, age, religion or belief, gender, gender identity, gender expression, marital or civil partner status, ethnic or national origin, physical or mental disability, sexual orientation, and pregnancy or maternity status. The programme is led by the Diversity and Inclusion Committee which includes senior leaders of the Group, and it is further embodied in the Group's twelve employee network groups comprising Carers, Christian, CMS Women, embrace, ENABLE, Families, Hindu, Sikh and Jain, Jewish, LGBTQ+, Mental Health and Wellbeing, Muslim and Social Mobility.

The Group has an Equality and Diversity policy which supports the Group's commitment to recruiting, retaining and developing talented people. The policy details how equality and inclusiveness underpin the Group's business decisions in all areas affecting its people such as recruitment, selection, training, promotion, redeployment and terms and conditions of employment. The Group's employee commitment statement is designed to set down basic principles which encourage diversity within the workplace.

#### **Community investment**

The Group is committed to the delivery of effective community involvement schemes, informed charitable giving and sound pro bono legal and non-legal support to individuals and community groups. Establishing employee volunteering programmes, offering the Group's professional services for free and organising charitable fundraising initiatives creates valuable opportunities for personal development and teamwork for everyone across the Group.

To help meet these objectives, the Groupwide Corporate Responsibility ("CR") policy encourages all employees to participate in up to 100 hours of CR activity per person per year. A menu of initiatives is offered throughout the Firm to employees via its CR partnerships: Legal Advice Clinics; Islington Law Centre, Royal Courts of Justice Advice Bureau, and QLegal Pro Bono Clearing Houses; A4ID and Trust Law, and The Chancery Lane Project. The Group is also a participant of the Corporate Responsibility Group and CR Legal Network which allows it to collaborate with other organisations on joint CR initiatives.

## **Members' Report (continued)**

### **Year ended 30 April 2023**

During the year, Group employees and partners contributed 18,878 hours of working time (2022 – 14,845 hours) to community and charitable activities.

#### **Employee consultation**

The Group places considerable value on the involvement and input of all employees demonstrated through a number of communication channels.

The Group's intranet homepage - Horizon - is updated on a daily basis with typically two to three stories, which communicates important messages to staff, such as CR and diversity messages, client events, staff training, recognition and success, as well as messages from senior management. Particularly important messages are communicated by our Senior or Managing Partner via email to all staff internally. Each year, our annual review is distributed internally to all employees which highlights the Group's performance over the past year. In our head office, London Cannon Place, there is a particular emphasis on digital communications, and important messages are displayed electronically via screens in communal areas such as tea points and our staff restaurant. The Managing Partner holds frequent meetings, which typically occur monthly with a small group of associates and lawyers, from across different practice areas, in order for them to find out more about the LLP and Group's priorities, provide any feedback, and ask any questions. Employees across the Group are also given the opportunity to provide feedback, through our internal staff survey, which is typically distributed bi-annually. This is used to set priorities and addresses issues identified by employees.

#### **Donations**

During the year the Group made charitable donations totalling £930,000 (2022 – £734,000). It did not make any political donations in either year.

#### **Supplier payment policy**

The Group seeks to make prompt settlement of supplier invoices, subject to the goods and services received being in accordance with agreed terms. The number of days between receipt of invoices and date of payment, calculated by reference to the amount owed to trade creditors at the year end as a proportion of the total amount invoiced by suppliers during the year, was 88 days (2022 – 94 days).

#### **Auditor**

A resolution to reappoint PricewaterhouseCoopers LLP as the LLP's independent auditor will be proposed at the next members' meeting. So far as the members are aware there is no relevant audit information of which the LLP's auditor is unaware and the members have taken all the steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

**Members' Report (continued)**  
**Year ended 30 April 2023**

**Approval**

Approved by the members and signed on their behalf by:

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

**S S A Millar**  
**Managing Partner**

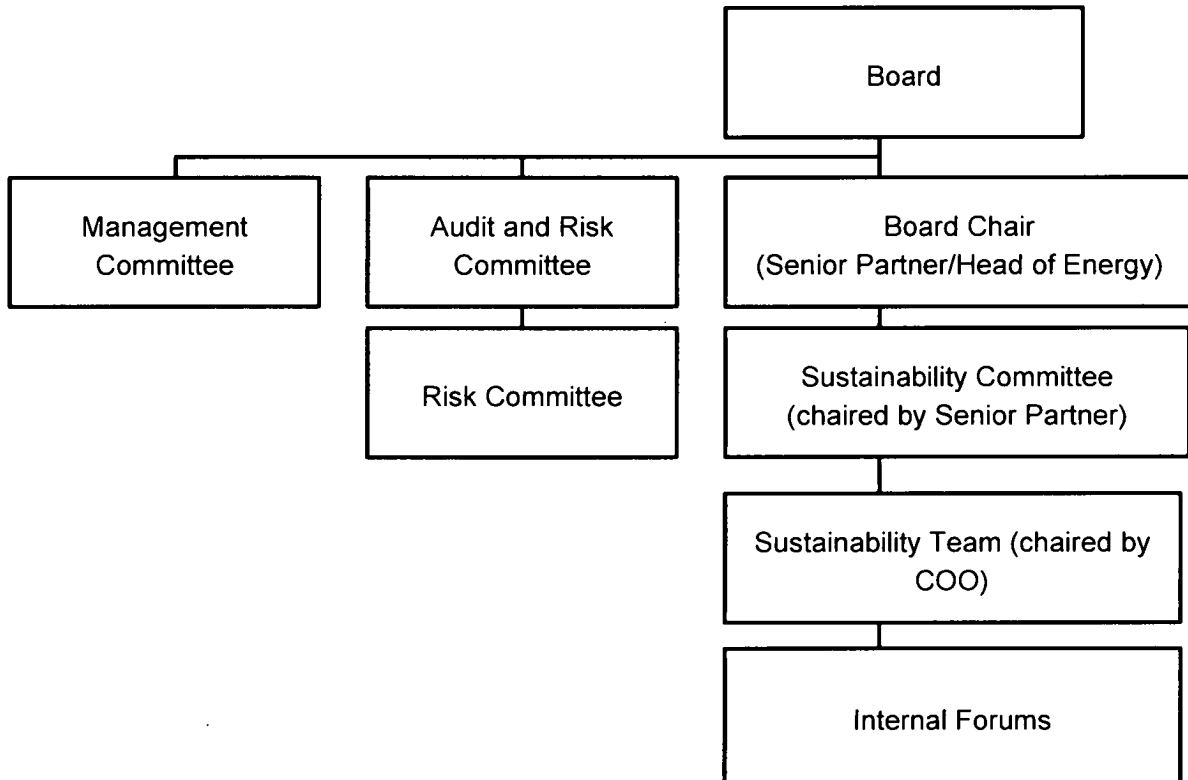
Date: 5 December 2023

## Energy And Carbon Report Year ended 30 April 2023

This report was prepared in line with the Taskforce for Climate-related Financial Disclosures ('TCFD') All Sector Guidance and associated annexes.

CMS CMNO LLP ('the LLP' or 'the Group') welcomes the opportunity to report in line with the TCFD. This is the first year of reporting and we expect to improve our disclosures year on year as data quality, availability and technology continues to evolve.

### Governance



The overall responsibility for environmental and corporate responsibility, including management of information on climate change, sits with the Board Chair. The Board is chaired by the Senior Partner/Head of Energy. The Chair's responsibility is to both assess and manage climate-related risks and opportunities. The Board considers strategic risk with input from across the business and the Sustainability Committee. Updates from the Sustainability Committee to the Board informs the Board's approach on setting performance objectives and risk management of climate-related risks or opportunities.

The Senior Partner/Head of Energy chairs the Sustainability Committee, which consists of senior business leaders, including key Partners across the business and including an Environment Law Partner, and members of the Sustainability Team who pursue resource and climate change related initiatives. This group is focused on assessing, identifying and managing climate-related risks and opportunities and all have an environmental lens to their roles. At present the COO has ESG related considerations incorporated within their remuneration policy.

The Sustainability Committee meets regularly and on such other occasions as the Senior Partner sees fit. They provide monthly updates to the Board on climate-related issues to ensure efficient workstreams are in place to make progress against our Science Based Target ('SBT').

**Energy And Carbon Report (continued)**  
**Year ended 30 April 2023**

The Committee's environmental duties encompass the impact of the LLP's operations on the environment and how the LLP adapts its business in the light of climate change. Any significant climate-related decisions taken by the LLP are passed through this group.

The Board and relevant committees consider climate-related issues when reviewing and guiding major plans of action, risk management policies and annual budgets as well as setting the organisation's performance objectives. Climate-related issues and climate resilience are an integral aspect to strategy and business-planning. We have an environmental policy and strategic objectives and goals to achieve our SBT. This is aligned with our business development strategy for offering a more integrated service to both our existing clients as well as new clients.

The Board has oversight on any acquisitions to the Group, including carbon performance criteria to guide decisions, where necessary, on which offices to acquire.

**Strategy**

The LLP undertook both qualitative and quantitative scenario analysis, engaged across the organisation and assessed the Group's existing resiliency plans. We have set out those risks and opportunities identified as material in Table 1, alongside relevant mitigation measures. We have disclosed the potential impacts on revenue, capital expenditure and capital allocation, where relevant. Quantification of risks and opportunities has not been undertaken this year; however, the LLP seeks to achieve this within the next 2-5 years as data quality and credibility improves.

**Scenario analysis looked across the following time horizons:**

Short-term	2023-2027 (0-4 years)	Considers current planning and strategy cycle
Medium-term	2028-2031 (4-8 years)	Encapsulates senior partner appointments
Long-term	2032-2050 (8+ years)	Allows sufficient consideration of physical and transition impacts

The LLP assessed physical risk across all its locations and used two of the Intergovernmental Panel on Climate Change ('IPCC') AR6 scenarios:

SSP5-8.5 – A worst case scenario, examining the upper bounds of physical exposure;

SSP2-4.5 – A mid case scenario to assess physical exposure in what is considered a more probable, less extreme pathway.<sup>1</sup>

Transition risks were explored by applying International Energy Agency's ('IEA') Net-Zero by 2050 ('NZE') and Announced Pledges ('APS') scenarios, which are disclosed as part of the annual World Energy Outlook. The former sets out a pathway for the global energy sector to reach net-zero by 2050. The APS assumes all climate commitments by governments are met (including Nationally Determined Contributions), highlighting the ambition gap, which is required to limit warming to 1.5 degrees.

We selected these scenarios as the IEA is a highly reputable source of data with clear and credible assumptions. It is used across our peers and enables comparability across the industry's

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<sup>1</sup> SSP refers to Shared-Socio economic Pathways, with the associated degrees of warming being 2.7 and 4 degrees respectively.

**Energy And Carbon Report (continued)**  
**Year ended 30 April 2023**

sustainability reporting. It also contains current carbon price assumptions allowing for effecting quantitative analysis of the Group’s direct operations. We modelled our scope 1, 2 and 3 emissions under the NZE and APS scenarios using the absolute emissions contraction approach across the medium and long-term timeframes out to 2050. The LLP does not currently have an internal carbon price, though this is being considered in the medium to long term. We have examined potential pathways as part of our SBT setting and challenge the current future pathway alongside ambitious emissions reduction targets. Any transitional risks and/or opportunities identified were assigned scores and added to the risk register to help the LLP prioritise risks and respond accordingly, with an action, owner and timeframe against each.

**Table 1**

<b>Risk Type</b>	<b>Risk Category</b>	<b>Risk Description</b>	<b>Time period</b>	<b>Impact (low/medium/high)</b>	<b>Mitigating Activities</b>
Physical	Acute	Heatwaves, water stress	Short term	Low to medium Potential impacts include increased operational costs	The LLP is investigating heatwave response plans and currently has air conditioned and temperature controlled buildings.  The LLP is also engaging with building providers to track water usage and ensure they conduct water risk assessments in the medium term, to understand complete risk exposure which will inform the development of risk management strategies.
	Acute	Heatwaves and water stress	Long term	Medium to high Potential impacts include increased operational costs	Short term mitigating activities continued with the LLP looking to engage in implementing water management practices to document reliance and develop plans to reduce water use in the long term.
	Chronic	The LLP has not identified any material chronic physical risks over any time horizon.			

**Energy And Carbon Report (continued)**  
**Year ended 30 April 2023**

<b>Risk Type</b>	<b>Risk Category</b>	<b>Risk Description</b>	<b>Time period</b>	<b>Impact (low/medium/high)</b>	<b>Mitigating Activities</b>
Transition	Policy and legal	Current and emerging regulations: The Group has offices in 17 countries and must adhere to multiple country-specific climate related regulations.	Short to long term	Low to medium  Potential impacts include increased operational costs as a result of fines; and/or reputational damage leading to reduced revenues.	The LLP is already compliant with ESOS and SECR (GHG emissions reporting to Companies House). We continue to undertake monitoring and horizon scanning of emerging regulations as part of our operational practice and in house skills development. The LLP has considerable expertise across its employees as part of capitalising on the opportunities associated with the climate transition.
	Policy and legal	Carbon pricing: Uncertainty surrounding climate regulation, such as carbon pricing mechanisms, may impact future Group operations and is evaluated by the LLP. Clients may be faced with costs that impede their ability to conduct business.	Long term	Medium to high  Potential impacts include increased operational costs.	Due diligence is performed on the LLP's clients. Carbon pricing scenario analysis has been undertaken and will continue to evolve alongside our TCFD reporting. The LLP has emissions reduction initiatives near term SBTs in place.

Although several risks have been identified, these have no immediate impacts on our business model and are sufficiently mitigated; the residual risk is not considered material.

We have disclosed those risks that have material gross risk (defined as unmitigated risk, scored over likelihood and severity of impact). Residual risk is that which is left over post mitigating actions. The risks disclosed within this report have been assessed considering the operational elements of the business as well as against our service offering. The Group has business continuity plans in place for the physical sites that are likely to be impacted by climate change. The Group does not own any of its properties and therefore retains flexibility and reduced financial risk by using leaseholds.

## Energy And Carbon Report (continued) Year ended 30 April 2023

These risks will continue to be reviewed as our business strategy changes to maintain a resilient organisation. The LLP updates its strategy every four years, as per the time horizons disclosed, however given the nature of our services, strategy is reviewed on an ongoing basis by the Board and relevant business segments.

We have four connected streams of activity in which climate-related risks feature:

- Business strategy (via monthly Board meetings);
- Business-development (via strategy and client meetings);
- Our ESG and sustainability programme; and
- The Sustainability Committee and Sustainability Team (interface with employees, our facilities management ('FM') team and support services).

These four streams of activity connect our legal partners with our FM team, strategic suppliers, and our stakeholders. Each uses the same criteria to identify and act on both climate-related risks and opportunities for the business, its position in the market and its reputation.

We are in the process of quantifying risks and opportunities and hope to be able to disclose relevant metrics and values in the short to medium-term. At present there are no specific opportunity-based metrics to be reported, however relevant material opportunities have been identified and set out in Table 2 below.

**Table 2**

Opportunities type	Description	Time frame	Impact
<b>Reputation</b>	<p>Positive reputational impacts arising from a meaningful contribution to the climate agenda will increase client attraction and retention. The LLP has a social impact programme, produces a responsible business report and provides pro-bono legal support. During the financial year, the LLP introduced beehives (London, Edinburgh and Aberdeen) or supported local beehives (Liverpool) to help enhance biodiversity in local communities. We have further expanded our beehives to Glasgow, Bristol and Sheffield as well as embarking on specific projects in certain overseas locations. We are also creating bee gardens and empowering our staff to enhance the environment and ensure the bees and ecosystems are well supported. As part of the initiatives, any proceeds from the sales of honey are donated to our partner in biodiversity, WWF who then engage with our staff via webinars and other activities related to biodiversity.</p> <p>Strong reputation and brand strength is important to the LLP's clients.</p>	Medium to long-term	Medium

**Energy And Carbon Report (continued)**  
**Year ended 30 April 2023**

Opportunities type	Description	Time frame	Impact
Market	<p>The LLP's expertise allows us to offer specialist, business-focused advice in energy and climate change matters to clients operating in complex businesses and the constantly changing energy environment; including support on the adoption of new technologies</p> <p>To help our clients manage their own risk, the LLP is developing an eLearning programme, built on their established Law-Now eLearning platform. The LLP is constantly researching new opportunities, engaging both internally and horizon scanning for trends. Regulation increases business needs as the LLP can assist clients manage ever changing and emerging requirements. Emerging regulation can also be seen as an opportunity for the Group, as clients need to be able to respond to governments and each other. For any climate-related opportunities the LLP can capitalise on existing expertise within its workforce. We have an international footprint, with opportunities to capitalise on regional regulatory differences.</p> <p>As client preferences shift toward reducing environmental impact, we see opportunities to further strengthen client relationships by delivering services with a low emissions footprint, helping to meet mutual sustainability goals, and to reduce costs and emissions for both parties. Significant investment in virtual technologies will reduce reliance on air travel for client meetings and support this endeavour. The LLP can adapt core services as well as expand into climate-specific services including the structuring of green finance; financial regulatory advice on EU; auditing of ESG risks, reporting and opportunities.</p>	Short to long-term	High

**Risk Management**

Our risk management processes require each area of the business to disclose material climate related risks on the risk register, this is then escalated through the LLP. One of the responsibilities of the Sustainability Committee is to consider areas of corporate process, individual corporate responsibility, and environment risk and whether such risks are managed effectively. The

## Energy And Carbon Report (continued)

### Year ended 30 April 2023

Committee also review the methodology for measuring performance. The Risk team is advised by the Committee of any new risks if it is deemed necessary for them to be added to the risk register and provides them with updates on existing risks. The risk register is formally reviewed by the LLP on a quarterly basis to understand progress against actions being taken to mitigate/accept/control the identified risks.

The Board sets the overarching strategy and risk appetite, which is followed by the Committee. Once a climate-related risk has been identified, it is assessed in terms of its relevance, scope and magnitude. Risks assessed as relevant and substantive are allocated a risk owner and as far as possible, a timeframe for action. Climate-related risks are integrated into the overall risk register for the Group and form part of the existing risk management process in place for all other including but not limited to financial and legal risks. The risk register defines a substantive risk to be more than 10% of the Group's gross revenue or that which is detrimental to an entire legal practice area of jurisdiction in which the Group operates. The register is reviewed by the Management Committee and the Audit & Risk Committee, who report directly to the Board.

The LLP manages climate-related opportunities in a similar way to climate-related risks. Opportunities are identified and allocated an owner. The Sustainability Committee oversees this and is responsible for ensuring opportunities are managed effectively. Opportunities are also reviewed on a quarterly basis in line with the overarching strategy.

#### Metrics and Targets

The Group has a 1.5C near term SBT<sup>2</sup> covering scope 1, 2 and 3 emissions with FY2019 being the base year. We track our scope 1, 2 and 3 emissions, as this informs progress against our internal and external targets and voluntary reporting. In FY2022 we improved our data collection, quality and inventory management in order to meet the mitigation measures in place for immaterial risks such as missed targets. Limited assurance is obtained over scope 1, 2 and 3 emissions.

The Group is now considering its long-term commitments, which will be disclosed in future iterations of our TCFD reporting, taking into consideration our disclosed time horizons. We expect these to be absolute targets, though the relevant intensity metrics for professional services companies are revenue based, these are the metrics that the LLP uses most often when considering progression with intensity related values. GHG emissions can be found within the SECR report on page 14. The Group uses the GHG protocol to calculate its emissions and there have been no changes in boundary or basis of reporting for the reporting period.

The LLP has made commitments to emissions reductions and continues to implement initiatives to address this. The LLP is in the process of developing a transition plan that will be disclosed within the next two years. We recognise the importance of transitioning to a low emissions future and our focus on target setting and emissions reduction initiatives mitigates against potential exposure to material risks such as policy. As we operate within the UK, we understand the need for aligning our business model with the Net-Zero by 2050 commitments by the UK government.

With regards to other metrics, the Group tracks its energy usage per our SECR report on page [14], and waste data to inform our GHG inventory management. We are looking to include these metrics in future years.

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<sup>2</sup> [status-report-Business-Ambition-for-1-5C-campaign.pdf](https://www.sciencebasedtargets.org/status-report-Business-Ambition-for-1-5C-campaign.pdf) (sciencebasedtargets.org)

## Energy And Carbon Report (continued)

### Year ended 30 April 2023

This statement has been prepared in accordance with our regulatory obligation to report greenhouse gas ('GHG') emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implement the government's policy on Streamline Energy and Carbon Reporting. All figures disclosed cover our UK and offshore operations. During the reporting year 1 May 2022 to 30 April 2023, our total measured scope 1, 2 and 3 emissions (market-based) for our UK operations totalled 17,307 tCO<sub>2</sub>.

This comprised:

			2023	2022	2021	2020
Scope	Emissions Category	Activity	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e	tCO <sub>2</sub> e
1	Stationary Combustion	Natural Gas Combustion	0.4	267	-	0.6
	Mobile Combustion	Owned/Leased Vehicle(s)	-	-	-	0.9
	Fugitive	Refrigerants	110	-	-	-
	<b>Total Scope 1</b>		<b>110</b>	<b>267</b>	<b>-</b>	<b>2</b>
2	Purchased Energy	Electricity (Location-based)	1,008	915	882	1,612
		Electricity (Market-based)	7	-	-	16
		Natural Gas Combustion	346	-	-	-
		District Heat	67	-	-	-
<b>1+2</b>	<b>Total Scope 1 &amp; 2 (Location-based)</b>		<b>1,531</b>	<b>1,182</b>	<b>882</b>	<b>1,614</b>
	<b>Total Scope 1 &amp; 2 (Market-based)</b>		<b>530</b>	<b>267</b>	<b>-</b>	<b>18</b>
3	Purchased Goods and Services		9,169	9,410	12,599	18,318
	Capital Goods		3,252	4,261	3,563	4,892
	Fuel and Energy-related Activities		392	386	208	353
	Upstream Transportation & Distribution		343	425	335	353
	Waste Generated in Operations		20	18	13	54
	Business Travel		2,286	346	105	5,110
	Employee Commuting		533	164	45	871
	Homeworking		782	1,599	1,562	-
	<b>Total Scope 3</b>		<b>16,777</b>	<b>16,609</b>	<b>18,430</b>	<b>29,951</b>
<b>1+2+3</b>	<b>Total Scope 1, 2 &amp; 3 (Location-based)</b>		<b>18,308</b>	<b>17,791</b>	<b>19,312</b>	<b>31,565</b>
	<b>Total Scope 1, 2 &amp; 3 (Market-based)</b>		<b>17,307</b>	<b>16,876</b>	<b>18,430</b>	<b>29,969</b>
<b>Emission Intensity (tCO<sub>2</sub>e per employee)</b>			<b>6.3</b>	<b>6.5</b>	<b>7.7</b>	<b>11.5</b>

Our emissions have been verified to a reasonable level of assurance by an external third party according to the ISO 14064-3 standard.

## Energy And Carbon Report (continued)

### Year ended 30 April 2023

During the year, our total fuel and electricity consumption totalled 6,967 MWh (2022: 6,184 MWh). The split between fuel and electricity consumption is displayed below.

Activity	2023	2022	2021	2020
	Value (MWh)	Value (MWh)	Value (MWh)	Value (MWh)
Electricity	4,869	4,310	3,784	6,307
Natural gas combustion	1,708	1,872	-	3
District heat	390	-	-	-
Transport fuel:				
Company car	-	-	-	4
Personal Vehicles	-	-	20	54
Hired Vehicles	-	2	3	42
<b>Total</b>	<b>6,967</b>	<b>6,184</b>	<b>3,807</b>	<b>6,410</b>

#### Energy efficiency actions taken:

- During the year the Group undertook emissions reduction initiatives resulting in estimated annual CO<sub>2</sub>e savings of 39.7 metric tonnes CO<sub>2</sub>e. This built on action the LLP undertook in the prior year.
- In the year to April 2023 our Warsaw office moved from a building constructed in 1998 to a new, energy efficient WELL-certified building in September 2022. This resulted in scope 2 emissions savings of 11.17 metric tonnes CO<sub>2</sub>e.
- In the UK we closed off one of our floors every Friday for three months in Sheffield, London and Edinburgh offices in FY23. This resulted in estimated energy savings estimated of 361MWh.
- We continue to actively encourage our teams not to print, to remain aligned with our estimated savings of 10,901kWh of energy and 2.7 metric tonnes CO<sub>2</sub>e per year (since the replacement of our printing fleet).
- All of our UK offices are now fitted with LED lights and passive infrared sensors ('PIR') and there were energy efficiency improvements from the retrofit of Manchester and Liverpool offices in FY23. We also commenced the refurbishment of our Aberdeen office.
- Our supply chain accounts for approximately 90% of our overall scope 3 emissions and we continue to closely engage with our value chain, providing training support and best practice.

**Energy And Carbon Report (continued)**  
**Year ended 30 April 2023**

**Methodology**

We quantify and report our organisational GHG emissions in alignment with the World Resources Institute's Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and in alignment with the Scope 2 Guidance. The Group consolidates the LLP's organisational boundary according to the operational control approach for our UK sites.

We have adopted a materiality threshold of 5% for GHG reporting purposes. In some cases, where data is missing, values have been estimated using either extrapolation of available data or data from other sites as a proxy.

The Scope 2 Guidance requires that we quantify and report Scope 2 emissions according to two different methodologies ('dual reporting'):

- (i) the location-based method, using average emissions factors for the country in which the reported operations take place; and
- (ii) the market-based method, which uses the actual emissions factors of the energy procured.

Approved by the members and signed on their behalf by:



**S S A Millar**  
**Managing Partner**

Date: 5 December 2023

## **Members' Responsibilities Statement**

### **Year ended 30 April 2023**

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), requires the members to prepare financial statements for each financial year. Under that law the members have prepared the group and LLP financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, as applied to limited liability partnerships, 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 group and LLP and of the profit or loss of the LLP for that period. In preparing the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and LLP will continue in business.

The members are also responsible for safeguarding the assets of the group and LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and LLP's transactions and disclose with reasonable accuracy at any time the financial position of the group and LLP and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations.

**Independent auditor's report to the members of CMS Cameron McKenna  
Nabarro Olswang LLP  
Year ended 30 April 2023**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, CMS Cameron McKenna Nabarro Olswang LLP's group financial statements and LLP financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the LLP's affairs as at 30 April 2023 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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.

We have audited the financial statements, included within the Annual report and consolidated financial statements (the "Annual Report"), which comprise: the Consolidated and Limited Liability Partnership Balance Sheet as at 30 April 2023; the Consolidated Profit and Loss account, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Members' Interests, Limited Liability Partnership Statement of Changes in Members' Interests and the Consolidated Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 5, we have provided no non-audit services to the LLP or its controlled undertakings in the period under audit.

**Independent auditor's report to the members of CMS Cameron McKenna  
Nabarro Olswang LLP (continued)  
Year ended 30 April 2023**

**Conclusions relating to going concern**

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's and the LLP'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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the LLP's ability to continue as a going concern.

Our responsibilities and the responsibilities of the members with respect to going concern are described in the relevant sections of this report.

**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

**Responsibilities for the financial statements and the audit**

*Responsibilities of the members for the financial statements*

As explained more fully in the Members' Responsibilities Statement, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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 LLP'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 LLP or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report to the members of CMS Cameron McKenna  
Nabarro Olswang LLP (continued)  
Year ended 30 April 2023**

*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 auditors' 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.

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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Solicitors Regulation Authority (SRA) Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as 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. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of the profit available for distribution to members, through posting inappropriate journal entries and manipulating the valuation of the work-in-progress. Audit procedures performed by the engagement team included:

- reviewing legal expenses and consideration of any matters throughout the rest of our audit work which indicated risks of non-compliance;
- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations impacting revenues and expenses; and
- challenging assumptions and judgements made by management in respect of significant accounting estimates, including the recoverability of the work-in-progress.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Independent auditor's report to the members of CMS Cameron McKenna  
Nabarro Olswang LLP (continued)  
Year ended 30 April 2023**

*Use of this report*

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance 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 for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

*Companies Act 2006 exception reporting*

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the LLP financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Paul Cheshire (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Edinburgh, United Kingdom  
Date: 5 December 2023

**Consolidated Profit and Loss Account**  
**Year ended 30 April 2023**

	Notes	2023 £'000	2022 £'000
<b>Group turnover</b>	3	<b>687,755</b>	<b>644,318</b>
Staff and related costs		(296,883)	(263,452)
Depreciation and amortisation	5	(11,669)	(10,948)
Other operating expenses		(154,630)	(128,940)
<b>Group operating profit</b>		<b>224,573</b>	<b>240,978</b>
Interest receivable and similar income	4	2,081	73
Interest payable and similar charges	4	(1,657)	(1,505)
<b>Profit before taxation, members' remuneration and profit shares</b>	5	<b>224,997</b>	<b>239,546</b>
Taxation on profit of the subsidiaries	8	(2,521)	(1,802)
<b>Profit before members' remuneration and profit shares</b>		<b>222,476</b>	<b>237,744</b>
Members' remuneration charged as an expense		(26,291)	(23,780)
<b>Profit for the financial year available for discretionary division among members</b>		<b>196,185</b>	<b>213,964</b>

All results relate to continuing activities.

**Consolidated Statement of Comprehensive Income**  
**Year ended 30 April 2023**

	Note	2023 £'000	2022 £'000
<b>Profit for the financial year available for discretionary division among members</b>		<b>196,185</b>	<b>213,964</b>
Currency translation difference on foreign operations		(1,124)	3,470
Total remeasurement of the defined benefit asset	21	(18,071)	16,095
<b>Total comprehensive income</b>		<b><u>176,990</u></b>	<b><u>233,529</u></b>

**Consolidated Balance Sheet  
As at 30 April 2023**

	Notes	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible assets	10	39,418	36,414
Subsidiary and related undertakings	11	-	699
External investments	12	424	481
		<u>39,842</u>	<u>37,594</u>
<b>Current assets</b>			
Debtors	13	349,352	342,627
Cash at bank and in hand		56,132	93,507
Retirement benefit assets	21	6,374	19,634
		<u>411,858</u>	<u>455,768</u>
<b>Creditors: amounts falling due within one year</b>	14	(128,563)	(163,121)
<b>Net current assets</b>		<u>283,295</u>	<u>292,647</u>
<b>Total assets less current liabilities</b>		323,137	330,241
<b>Creditors: amounts falling due after more than one year</b>	15	(23,016)	(24,572)
<b>Provisions for liabilities</b>	16	(12,405)	(14,530)
<b>Net assets attributable to members</b>		<u><u>287,716</u></u>	<u><u>291,139</u></u>
<b>Represented by: Loans and other debts due to members within one year</b>			
Members' capital classified as a liability		56,622	53,443
Other amounts		51,803	33,287
		<u>108,425</u>	<u>86,730</u>
<b>Members' other interests</b>			
Other reserves classified as equity		179,291	204,409
		<u>287,716</u>	<u>291,139</u>
<b>Total Members' Interests</b>			
Amounts due from members		(21,221)	(21,191)
Loans and other debts due to members		108,425	86,730
Other reserves		179,291	204,409
		<u><u>266,495</u></u>	<u><u>269,948</u></u>

The financial statements of CMS Cameron McKenna Nabarro Olswang LLP registered number OC310335, on pages 22 to 65 were approved by the members and authorised for issue and signed on their behalf on 5 December 2023 by:



**S P Warne**  
Senior Partner



**S S A Millar**  
Managing Partner

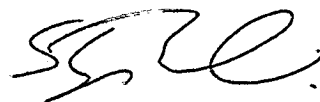
**Limited Liability Partnership Balance Sheet**  
**As at 30 April 2023**

	Notes	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible assets	10	32,976	33,626
Subsidiary and related undertakings	11	325	1,024
External investments	12	424	481
		<u>33,725</u>	<u>35,131</u>
<b>Current assets</b>			
Debtors	13	389,707	378,444
Cash at bank and in hand		32,360	72,028
Retirement benefit assets	21	6,374	19,634
		<u>428,441</u>	<u>470,106</u>
<b>Creditors: amounts falling due within one year</b>	14	(164,827)	(184,102)
<b>Net current assets</b>		<u>263,614</u>	<u>286,004</u>
<b>Total assets less current liabilities</b>		297,339	321,135
<b>Creditors: amounts falling due after more than one year</b>	15	(23,016)	(24,572)
<b>Provision for liabilities</b>	16	(11,959)	(14,248)
<b>Net assets attributable to members</b>		<u><u>262,364</u></u>	<u><u>282,315</u></u>
<b>Represented by: Loans and other debts due to members within one year</b>			
Members' capital classified as a liability		56,622	53,443
Other amounts		51,857	31,902
		<u>108,479</u>	<u>85,345</u>
<b>Members' other interests</b>		153,885	196,970
Other reserves classified as equity		<u>153,885</u>	<u>196,970</u>
		<u><u>262,364</u></u>	<u><u>282,315</u></u>
<b>Total Members' Interests</b>			
Amounts due from members		(21,221)	(21,191)
Loans and other debts due to members		108,479	85,345
Other reserves		153,885	196,970
		<u><u>241,143</u></u>	<u><u>261,124</u></u>

The profit for the year available for discretionary division among members was £185,789,000 (2022: £201,154,000). The financial statements of CMS Cameron McKenna Nabarro Olswang LLP registered number OC310335, on pages 22 to 65 were approved by the members and authorised for issue and signed on their behalf on 5 December 2023 by



**S P Warne**  
**Senior Partner**



**S S A Millar**  
**Managing Partner**

**Consolidated statement of changes in members' interests**  
**Year ended 30 April 2023**

	Other reserves £'000	Total members' other interests £'000	Members' capital classified as a liability £'000	Members' other amounts £'000	Total £'000
<b>Members' interests at 1 May 2022</b>	<b>204,409</b>	<b>204,409</b>	<b>53,443</b>	<b>12,096</b>	<b>269,948</b>
Members' remuneration charged as an expense	-	-	-	26,291	<b>26,291</b>
Profit for the financial year available for discretionary division among members	196,185	196,185	-	-	<b>196,185</b>
<b>Members' interests after profit for the year</b>	<b>400,594</b>	<b>400,594</b>	<b>53,443</b>	<b>38,387</b>	<b>492,424</b>
Currency translation difference on foreign operations	(1,124)	(1,124)	-	-	<b>(1,124)</b>
Remeasurement of net defined benefit asset	(18,071)	(18,071)	-	-	<b>(18,071)</b>
<b>Members' interests after comprehensive income for the year</b>	<b>381,399</b>	<b>381,399</b>	<b>53,443</b>	<b>38,387</b>	<b>473,229</b>
Allocation of profits and other reserves	(209,087)	(209,087)	-	209,087	-
Members' capital introduced	-	-	7,554	-	<b>7,554</b>
Members' capital repaid	-	-	(4,375)	-	<b>(4,375)</b>
Drawings and other payments to and on behalf of members	-	-	-	(201,581)	<b>(201,581)</b>
Amounts reclassified as amounts due to former members within creditors	-	-	-	(15,311)	<b>(15,311)</b>
Other movements	6,979	6,979	-	-	<b>6,979</b>
<b>Balance at 30 April 2023</b>	<b>179,291</b>	<b>179,291</b>	<b>56,622</b>	<b>30,582</b>	<b>266,495</b>
Represented by:					
Amounts due to members				51,803	
Amounts due from members				(21,221)	
				<u>30,582</u>	

**Consolidated statement of changes in members' interests**  
**Year ended 30 April 2022**

	Other reserves £'000	Total members' other interests £'000	Members' capital classified as a liability £'000	Members' other amounts £'000	Total £'000
<b>Members' interests at 1 May 2021</b>	<b>153,477</b>	<b>153,477</b>	<b>51,789</b>	<b>9,855</b>	<b>215,121</b>
Members' remuneration charged as an expense	-	-	-	23,780	<b>23,780</b>
Profit for the financial year available for discretionary division among members	213,964	213,964	-	-	<b>213,964</b>
<b>Members' interests after profit for the year</b>	<b>367,441</b>	<b>367,441</b>	<b>51,789</b>	<b>33,635</b>	<b>452,865</b>
Currency translation difference on foreign operations	3,470	3,470	-	-	<b>3,470</b>
Remeasurement of net defined benefit asset/liability	16,095	16,095	-	-	<b>16,095</b>
<b>Members' interests after comprehensive income for the year</b>	<b>387,006</b>	<b>387,006</b>	<b>51,789</b>	<b>33,635</b>	<b>472,430</b>
Allocation of profits and other reserves	(182,597)	(182,597)	-	182,597	-
Members' capital introduced	-	-	3,512	-	<b>3,512</b>
Members' capital repaid	-	-	(134)	-	<b>(134)</b>
Drawings and other payments to and on behalf of members	-	-	-	(198,197)	<b>(198,197)</b>
Amounts reclassified as amounts due to former members within creditors	-	-	-	(5,939)	<b>(5,939)</b>
Reclassification of members' balances	-	-	(1,724)	-	<b>(1,724)</b>
<b>Balance at 30 April 2022</b>	<b>204,409</b>	<b>204,409</b>	<b>53,443</b>	<b>12,096</b>	<b>269,948</b>
Represented by:					
Amounts due to members				33,287	
Amounts due from members				(21,191)	
				<u>12,096</u>	

**Limited Liability Partnership statement of changes in members' interests**  
**Year ended 30 April 2023**

	Other reserves £'000	Total members' other interests £'000	Members' capital classified as a liability £'000	Members' other amounts £'000	Total £'000
<b>Members' interests at 1 May 2022</b>	<b>196,970</b>	<b>196,970</b>	<b>53,443</b>	<b>10,711</b>	<b>261,124</b>
Members' remuneration charged as an expense	-	-	-	26,291	<b>26,291</b>
Profit for the financial year available for discretionary division among members	185,789	185,789	-	-	<b>185,789</b>
<b>Members' interests after profit for the year</b>	<b>382,759</b>	<b>382,759</b>	<b>53,443</b>	<b>37,002</b>	<b>473,204</b>
Currency translation difference on foreign operations	(1,231)	(1,231)	-	-	<b>(1,231)</b>
Remeasurement of net defined benefit asset/liability	(18,071)	(18,071)	-	-	<b>(18,071)</b>
<b>Members' interests after comprehensive income for the year</b>	<b>363,457</b>	<b>363,457</b>	<b>53,443</b>	<b>37,002</b>	<b>453,902</b>
Allocation of profits and other reserves	(209,087)	(209,087)	-	209,087	-
Members' capital introduced	-	-	7,554	-	<b>7,554</b>
Members' capital repaid	-	-	(4,375)	-	<b>(4,375)</b>
Drawings and other payments to and on behalf of members	-	-	-	(201,582)	<b>(201,582)</b>
Amounts reclassified as amounts due to former members within creditors	-	-	-	(13,871)	<b>(13,871)</b>
Reclassification of members' balances	-	-	-	-	-
Other movements	(485)	(485)	-	-	<b>(485)</b>
<b>Balance at 30 April 2023</b>	<b>153,885</b>	<b>153,885</b>	<b>56,622</b>	<b>30,636</b>	<b>241,143</b>
Represented by:					
Amounts due to members				51,857	
Amounts due from members				(21,221)	
				<u>30,636</u>	

**Limited Liability Partnership statement of changes in members' interests**  
**Year ended 30 April 2022**

	Other reserves £'000	Total members' other interests £'000	Members' capital classified as a liability £'000	Members' other amounts £'000	Total £'000
<b>Members' interests at 1 May 2021</b>	<b>151,856</b>	<b>151,856</b>	<b>51,789</b>	<b>9,855</b>	<b>213,500</b>
Members' remuneration charged as an expense	-	-	-	23,780	<b>23,780</b>
Profit for the financial year available for discretionary division among members	201,154	201,154	-	-	<b>201,154</b>
<b>Members' interests after profit for the year</b>	<b>353,010</b>	<b>353,010</b>	<b>51,789</b>	<b>33,635</b>	<b>438,434</b>
Currency translation difference on foreign operations	2,448	2,448	-	-	<b>2,448</b>
Remeasurement of net defined benefit asset/liability	16,095	16,095	-	-	<b>16,095</b>
<b>Members' interests after comprehensive income for the year</b>	<b>371,553</b>	<b>371,553</b>	<b>51,789</b>	<b>33,635</b>	<b>456,977</b>
Allocation of profits and other reserves	(182,597)	(182,597)	-	182,597	-
Members' capital introduced	-	-	3,512	-	<b>3,512</b>
Members' capital repaid	-	-	(134)	-	<b>(134)</b>
Drawings and other payments to and on behalf of members	-	-	-	(198,197)	<b>(198,197)</b>
Amounts reclassified as amounts due to former members within creditors	-	-	-	(7,324)	<b>(7,324)</b>
Reclassification of members' balances	-	-	(1,724)	-	<b>(1,724)</b>
Other movements	8,014	8,014	-	-	<b>8,014</b>
<b>Balance at 30 April 2022</b>	<b>196,970</b>	<b>196,970</b>	<b>53,443</b>	<b>10,711</b>	<b>261,124</b>
Represented by:					
Amounts due to members				31,902	
Amounts due from members				(21,191)	
				<u>10,711</u>	

**Consolidated Cash Flow Statement**  
**For the year ended 30 April 2023**

	Note	2023 £'000	2022 £'000
<b>Net cash inflow from operating activities</b>	18	<b>202,180</b>	<b>194,866</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets and investments		(14,869)	(8,937)
Interest received		1,430	49
<b>Net cash flows used in investing activities</b>		<b>(13,439)</b>	<b>(8,888)</b>
<b>Cash flows from financing activities</b>			
Payments to and on behalf of members		(210,741)	(198,197)
Capital contributions by members		7,554	3,512
Capital repayments to members		(4,375)	(134)
Amounts drawn under borrowing facilities		60,445	18,541
Amounts repaid under borrowing facilities		(78,837)	(18,676)
Interest paid		(1,657)	(1,505)
<b>Net cash flows used in financing activities</b>		<b>(227,611)</b>	<b>(196,459)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(38,870)</b>	<b>(10,481)</b>
Effect of foreign exchange rate changes		1,495	1,221
<b>Cash and cash equivalents at beginning of year</b>		<b>93,507</b>	<b>102,767</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>56,132</b>	<b>93,507</b>
<b>Cash and cash equivalents comprise:</b>			
Cash at bank and in hand		56,132	93,507
<b>Cash</b>		<b>56,132</b>	<b>93,507</b>

## Notes to the Financial Statements

### Year ended 30 April 2023

#### 1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the current year and in the preparation of the comparative figures.

##### a. General information and basis of accounting

CMS Cameron McKenna Nabarro Olswang LLP (“the LLP”) is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000 and registered in England and Wales. The address of the registered office is given on page 1. The nature of the group’s operations and its principal activities are set out in the members’ report on pages 2 to 6.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (“FRS 102”) issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (effective 1 January 2019).

The functional currency of the LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the LLP operates. The consolidated financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

The LLP meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

##### b. Basis of consolidation

The Group financial statements consolidate the financial statements of the LLP and its subsidiaries and related undertakings drawn up to 30 April each year. No individual profit and loss account is presented for the LLP, as permitted by Section 408 of the Companies Act 2006.

##### c. Going concern

The Group is financed by members’ capital and retained profits and has access to bank facilities to supplement these if required. The LLP has a Revolving Credit Facility Agreement of £150m which is due for renewal in December 2025 with an option to extend for a further two years. On 24 November 2023 the facility was extended to December 2026. This facility is provided by Lloyds Bank plc, NatWest Bank plc and Santander UK plc and is unsecured. As set out in the Members’ Report, the Group’s policies on members’ drawings and profit distribution incorporate consideration of the working capital needs of the business.

In assessing the going concern assumption, management have considered cashflow forecasts including base case and severe but plausible downside scenarios that include mitigating actions within the LLP’s control. These forecasts are in excess of the twelve months following approval of the financial statements which demonstrate that the Group will be able to meet its liabilities for the foreseeable future.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**1. Accounting policies (continued)**

**c. Going concern (continued)**

Based on the above, the members have a reasonable expectation that the Group will continue in existence for the foreseeable future. For this reason, the going concern basis has continued to be adopted in preparing these financial statements.

**d. Tangible fixed assets**

Tangible fixed assets are stated at cost net of depreciation and provision for impairment.

Depreciation is provided on all tangible fixed assets, so as to write off the cost, less the estimated residual value, of tangible fixed assets on a straight-line basis over their estimated useful economic lives, as follows:

Leasehold improvements: over the shorter of 10 years and the remaining period of the lease.

Furniture and equipment: 3 to 5 years on a straight-line basis.

**e. Financial instruments**

In accordance with sections 11 and 12 of FRS102, financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

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 Group after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

The basis for the valuation of accrued revenue is set out in note 2

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**1. Accounting policies (continued)**

**f. Joint ventures and associates**

In the Group financial statements investments in joint ventures and associates are accounted for using the equity method. Investments in joint ventures and associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the Group's share of the profit or loss and other comprehensive income of the joint ventures and associates.

**g. Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

*Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a Cash Generating Unit (CGU), the reversal is applied first to the assets of the CGU on a pro-rata basis.

*Financial assets*

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where this effect is deemed material.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**1. Accounting policies (continued)**

**h. Taxation**

The taxation payable on the LLP profits is the personal liability of the members, although payment of such liabilities is administered by the LLP on behalf of the members. Consequently, no taxation on the profits of the LLP nor related deferred taxation is accounted for in the 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 set against amounts due from members as appropriate.

The tax expense represents the sum of the current and deferred tax relating to the corporate subsidiaries. The current tax expense is based on taxable profits of these companies.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**1. Accounting policies (continued)**

**i. Members' interests**

Members' capital is repayable on retirement of the member and is therefore classified as a liability. Because members may retire with less than one year's notice and typically have their capital repaid within one year of serving notice, members' capital is shown as being due within one year.

Members are required to provide capital in proportion to the profit sharing points allocated to them. The amount per point is assessed annually, with any changes usually being effective on 1 May. Members' capital is repaid to members upon cessation of membership of the LLP.

The members vote to approve the division of earned profit after the balance sheet date. As a result the balance of profit available for division among the members as at 30 April 2023 is included in members' other interests classified as equity. Drawings by members on account of profits for the year are included within amounts due from members. In the event of a winding up, members' capital and other reserves (members' other interests) rank after unsecured creditors and other amounts due to members rank equally with unsecured creditors.

Members' fixed shares of profits (excluding discretionary fixed share bonuses) and interest earned on members' balances are automatically allocated and are treated as members' remuneration charged as an expense to the profit and loss account in arriving at profit available for discretionary division among members.

The remainder of profit shares, which have not been divided until after the balance sheet date, are treated in these financial statements as unallocated at the balance sheet date and included within other reserves.

**j. Turnover**

Turnover represents the fair value of legal and tax services provided during the year on client assignments. Fair value reflects the amount expected to be recoverable from clients and is based on time spent, expertise and skills provided and expenses incurred. Turnover is stated net of Value Added Tax. Internal expenses incurred and recharged in the course of providing services are included within turnover and the corresponding expenses recognised within operating expenses.

Legal services provided to clients during the year which, at the balance sheet date, have not been invoiced to clients, have been recognised as fee income in accordance with Section 23 Revenue of Financial Reporting Standard 102. Turnover recognised in this manner is based on an assessment of the fair value of the services provided by the balance sheet date as a proportion of the total value of the engagement.

Unbilled turnover is included as accrued income within debtors. Accrued income is stated at billable value where the right to consideration has been obtained. No account is taken of unbilled amounts on those engagements where the right to receive payments is contingent on factors outside the control of the group. Contingent fee income (over and above any agreed minimum fee which is recognised as above) is recognised in the period when the contingent event occurs.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**1. Accounting policies (continued)**

**k. Employee benefits**

The LLP operates a group personal pension plan ("GPP") for UK employees. The amount charged to the profit and loss account for the GPP represents contributions payable by the employer in the year. Differences between contributions payable in the year and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

The LLP has two legacy defined benefit pension schemes:

- The amounts charged to operating profit are the costs arising from benefit changes, settlements and curtailments. The net interest cost on the net defined benefit liability is charged to profit or loss and included within finance costs.
- The defined benefit schemes are valued every three years by a qualified independent actuary who also prepares interim valuations at the balance sheet date. The assets of the schemes are held separately in trustee administered funds. The scheme operating and financing costs are charged to the profit and loss account in the year in which they arise and are recognised separately. Actuarial gains and losses, including changes in actuarial assumptions and the difference between actual and expected returns on assets during the year, are recognised immediately in other comprehensive income.
- Where there is a surplus in one or more of the schemes arising by comparing the fair value of the schemes' assets with the present value of the obligations, then this asset is recognised in the balance sheet. As set out in the Trust Deeds and Rules the LLP has an unconditional right to a surplus and this view was confirmed by the schemes' actuary.

**l. Foreign currency**

Transactions denominated in currencies other than the reporting currency are recorded at the rate of exchange ruling at the date of the transaction. All monetary assets and liabilities not denominated in the reporting currency at the balance sheet date are translated at the rates ruling at that date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income

Other exchange differences are recognised through the profit and loss account in the period in which they arise except for:

- exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**1. Accounting policies (continued)**

**m. Leases**

Operating lease rentals are charged to the profit and loss account in equal amounts over the lease term.

**n. Provisions**

Provision is made for dilapidations in respect of property leases that contain requirements for the premises to be returned to their original state at the conclusion of the lease term.

The provision for claims represents the estimated cost to LLP or Group of defending and settling claims, where a liability is considered by the members to be probable. Amounts provided for are based on management's assessment of the specific circumstances in each case. Any amounts recoverable under our insurance policies are recognised separately as an asset where we have virtual certainty of receipt.

The LLP has commitments to pay annuities to certain people who are former partners of CMS Cameron McKenna (a predecessor unincorporated partnership) and former members of the LLP, (or widows of such partners and members). These commitments are decided on a case by case basis and the provision set up once agreed.

**2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Group's and LLP's accounting policies, which are described in note 1, the members are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Key sources of estimation uncertainties and critical judgements in applying the Group's accounting policies**

There are no critical judgements in applying the Group's accounting policies. The following estimates that the members have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

• **Revenue recognition – accrued revenue**

The value of accrued revenue is derived on the basis of anticipated recovery levels in respect of unbilled time at year-end, having regard to the Group's accounting policy for revenue recognition. The key estimates relate to the value at which economic benefit will be ultimately realised for the unbilled revenue. A 1% variance in unbilled amounts would result in a change in revenue of £741,000 (2022 £752,000).

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**2. Critical accounting judgements and key sources of estimation uncertainty (continued)**

• **Actuarial assumptions**

The measurement of defined benefit obligations is dependent upon material key assumptions, including discount rates, life expectancy rates, future returns on assets and future contribution rates. This liability has been independently valued by actuaries based on information provided by the Group. The assumptions are set out in note 21 and have been determined having taken advice from the independent actuaries.

**3. Group Turnover**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Group turnover</b>		
United Kingdom	580,727	542,176
Outside United Kingdom	107,028	102,142
	<u>687,755</u>	<u>644,318</u>

Turnover is analysed geographically between markets and represents the fair value of legal and tax services provided during the year on client assignments.

**4. Net finance costs**

**Interest receivable and similar income**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bank interest receivable	1,430	49
Net interest on defined benefit assets and liabilities	651	24
	<u>2,081</u>	<u>73</u>

**Interest payable and similar charges**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bank loans and overdrafts	(435)	(458)
Other interest and finance costs	(1,222)	(1,047)
	<u>(1,657)</u>	<u>(1,505)</u>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**5. Profit before taxation and members remuneration and profit shares**

Profit on ordinary activities before taxation is stated after charging:

	Note	2023 £'000	2022 £'000
Depreciation of tangible fixed assets	10	11,669	10,948
Impairment of external investments	12	102	711
Impairment of loans to joint ventures and associates	11	699	1,098
Foreign exchange loss		1,017	1,849
Operating lease rentals			
Land and buildings		24,234	20,662
Office equipment		785	717
Motor vehicles		10	11
		<u>          </u>	<u>          </u>

The analysis of the auditors' remuneration is as follows:

	2023 £'000	2022 £'000
Fees payable to the LLP's auditor for the audit of the Limited Liability Partnership annual financial statements	262	245
Audit of subsidiaries	100	91
<b>Total audit fees</b>	<u>362</u>	<u>336</u>
Other assurance services	91	83
<b>Total assurance services</b>	<u>453</u>	<u>419</u>
<b>Total non-audit fees</b>	<u>-</u>	<u>-</u>
<b>Total fees</b>	<u>453</u>	<u>419</u>

No services were provided pursuant to contingent fee arrangements.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**6. Staff numbers and costs**

With effect from 31 March 2023, staff who had been previously employed by CMS Cameron McKenna Nabarro Olswang Services Limited were transferred to be directly employed by the LLP with no changes to terms of employment. The 2023 figures for the LLP reflect this change.

The average number of people employed during the year (excluding members) was:

	Group		LLP	
	2023 No.	2022 No.	2023 No.	2022 No.
Fee-earners	1,950	1,916	139	144
Support staff	1,501	1,342	166	93
	3,451	3,258	305	237

Staff costs incurred during the year in respect of employees were:

	Group		LLP	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Salaries	250,500	227,388	29,240	6,862
Social security costs	24,101	20,336	1,977	180
Pension costs	9,504	7,769	984	130
	284,105	255,493	32,201	7,172

**7. Members' remuneration and transactions**

Profits are shared among the members in accordance with agreed profit sharing arrangements and include interest on members' funds. Profits are divided after the financial statements have been approved by the members.

	2023 No.	2022 No.
Average number of members	387	389

The highest remuneration of a member for the year was £1,302,000 (2022 – £1,369,000). This profit share includes an element from a performance related bonus pool and interest allocated on members' balances as this is regarded as an allocation of profits.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**8. Taxation on profit of the subsidiaries**

Taxation arises within the subsidiary undertakings and overseas entities of the group and represents:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current tax on profit</b>		
UK corporation tax	627	560
Foreign tax	2,159	1,184
Adjustments in respect of prior years		
UK corporation tax	-	-
Foreign tax	(265)	58
<b>Total tax on profit</b>	<u>2,521</u>	<u>1,802</u>

The tax assessed for the year is higher (2022: higher) than the profit subject to taxation multiplied by the effective rate of corporation tax in the UK of 19.5% (19% in 2022) for the reasons set out in the following reconciliation:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Profit before tax	224,997	239,546
Less: amounts subject to personal tax	(213,281)	(233,981)
<b>Profit subject to taxation</b>	<u>11,716</u>	<u>5,565</u>
Tax on Group profit at standard UK corporation tax rate of 19.5% (2022 : 19%)	2,285	1,057
<b>Factors affecting the charge for the year:</b>		
- Losses in subsidiary undertakings not relieved / (relieved)	446	630
- Expenditure not tax deductible	275	95
- Different tax rates in other jurisdictions	(220)	(38)
Adjustments to tax charge in respect of prior years	(265)	58
<b>Group total tax charge for year</b>	<u>2,521</u>	<u>1,802</u>

**9. Profit of the limited liability partnership**

The partnership has taken advantage of Section 408 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and has not included its own profit and loss account in these financial statements. Its own profit for the year available for discretionary division among members was £185,789,000 ( 2022: £201,154,000).

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**10. Tangible assets**

<b>GROUP</b>	<b>Leasehold improvements £'000</b>	<b>Furniture and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 1 May 2022	58,360	71,990	130,350
Additions	4,455	10,414	14,869
Disposals	(2,147)	(28,319)	(30,466)
	<hr/>	<hr/>	<hr/>
At 30 April 2023	60,668	54,085	114,753
	<hr/>	<hr/>	<hr/>
<b>Accumulated Depreciation</b>			
At 1 May 2022	34,178	59,758	93,936
Charge for the year	5,408	6,261	11,669
Disposals	(2,131)	(28,139)	(30,270)
	<hr/>	<hr/>	<hr/>
At 30 April 2023	37,455	37,880	75,335
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 30 April 2023	23,213	16,205	39,418
	<hr/>	<hr/>	<hr/>
At 30 April 2022	24,182	12,232	36,414
	<hr/>	<hr/>	<hr/>

Included in Furniture and equipment there is capital work in progress of £2,941,000 (2022: £1,506,000)

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**10. Tangible assets (continued)****LLP**

	<b>Leasehold improvements £'000</b>	<b>Furniture and equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 1 May 2022	53,912	66,327	120,239
Additions	2,074	7,747	9,821
Disposals	(1,911)	(27,442)	(29,353)
	<hr/>	<hr/>	<hr/>
At 30 April 2023	54,075	46,632	100,707
	<hr/>	<hr/>	<hr/>
<b>Accumulated Depreciation</b>			
At 1 May 2022	30,747	55,866	86,613
Charge for the year	5,134	5,191	10,325
Disposals	(1,911)	(27,296)	(29,207)
	<hr/>	<hr/>	<hr/>
At 30 April 2023	33,970	33,761	67,731
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 30 April 2023	20,105	12,871	32,976
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 April 2022	23,165	10,461	33,626
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Included in Furniture and equipment there is capital work in progress of £2,318,000 (2022: £1,390,000)

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**11. Subsidiaries and related undertakings**

At 30 April 2023, the LLP had investments (direct and indirect) in the following entities. The results of these entities have been consolidated within the group financial statements.

<b>Name of entity</b>	<b>Address of the registered office</b>	<b>Activity</b>	<b>Proportion of ordinary shares or ownership</b>
Aries CMS Holdco BV	Parnassusweg 737, 1077DG Amsterdam, Netherlands.	Provision of legal software	45%
BKP Sp. Zoo	Varso Tower, Chmielna 69, 00-801 Warsaw, Poland	Service company	100%
Cameron McKenna Solicitors (Australia) Pty Ltd	9 Nicklin Way, Minyama, Queensland, 4576, Australia	Legal services	100%
CMS Cameron McKenna Holdings Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Holding company	100%
CMS Cameron McKenna Nabarro Olswang Services Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Service company	100%
CMS Cameron McKenna Nabarro Olswang Services (Brazil) Consultoria LTDA	Travessa do Ouvidor, 50, sala 501, Centro, Rio de Janeiro, RJ,20040-040	Service company	100%
CMS Cameron McKenna Nabarro Olswang Services Consultores Em Direito Estrangeiro	Travessa do Ouvidor, 50, sala 501, Centro, Rio de Janeiro, RJ,20040-040	Legal services/Dormant	100%
CMS Cameron McKenna EOOD	Landmark Centre 14 Tsar Osvoboditel Blvd. 1000 Sofia Bulgaria	Service Company	100%
CMS (Nominees) Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Service Company	100%
CMS Tax srl	One Tower 165 Calea Floreasca District 1, 014459 Bucharest, Romania	Tax services	95%
CMS Cameron McKenna LLC	38 Volodymyrska Street 01054 Kyiv, Ukraine	Professional services	100%
Law Now Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	e-learning services	100%
Modular Services srl	One Tower 165 Calea Floreasca District 1, 014459 Bucharest, Romania	Support services	100%
Sharereporter Ltd	Cannon Place, 78 Cannon Street, London EC4N 6AF	Provision of employee share scheme software	49%

**Notes to the Financial Statements (continued)****Year ended 30 April 2023****11. Subsidiaries and related undertakings (continued)**

In addition, the results of the following entities are consolidated by virtue of the of the Group's ability to direct the financial and operating policies of these entities:

<b>Name of entity</b>	<b>Location of operation</b>	<b>Activity</b>
Al Rashdi, Al Juma and Ewing Advocates and Legal Consultants in Association with CMS Cameron McKenna Nabarro Olswang LLP	Oman	Legal services
CMS Cameron McKenna Nabarro Olswang LLP S.C.P,	Romania	Legal services
CMS Cameron McKenna Nabarro Olswang Pošniak i Bejmi sp.k.	Poland	Legal services
CMS Cameron McKenna Nabarro Olswang (Singapore) LLP	Singapore	Legal services
CMS Sofia Lawyers Partnership	Bulgaria	Legal services
CMS (UAE) LLP	UAE	Legal services
CMS CMNO advokáti v.o.s	Czech Republic and Slovakia	Legal services
CMS Danışmanlık Hizmetleri Avukatlık Ortaklığı	Turkey	Legal Services
CMS Israel LLP	Israel	Legal services
Holborn Law LLC	Singapore	Legal services
Lau, Horton & Wise LLP in Association with CMS Hasche Sigle, Hong Kong LLP	Hong Kong	Legal services
Nabarro LLP	United Kingdom	Legal Services

The LLP has branches in Belgium, China and Hungary,

The LLP has an arrangement with Babalioglu Avukatlık Ortakligi, a Turkish Attorney Partnership, pursuant to which legal services are provided in relation to Turkish law. This entity is not consolidated in these financial statements.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**11. Subsidiaries and related undertakings (continued)**

At 30 April 2023, the LLP had investments (either direct or indirect) in the following entities which were dormant throughout the financial year.

<b>Name of entity</b>	<b>Country of registration</b>	<b>Status</b>	<b>Proportion of ordinary shares or ownership</b>
Cameron McKenna Limited	England & Wales	Dormant	100%
Cameron Moshaveran Sepanta	Iran	Ceased trading July 2019	90%
ClearCounsel Limited	England & Wales	Dissolved 7 November 2023	100%
ClearCounsel Trading Limited	England & Wales	Dissolved 27 June 2023	100%
CMS Cameron McKenna Pension Trustees Limited	England & Wales	Dissolved on 18 July 2023	100%
CMS Limited	England & Wales	Dissolved 18 July 2023	100%
CMS Law Alicante SLP	Spain	Dormant	100%
D.W. Company Services Limited	Scotland	Dissolved 20 June 2023	100%
D.W. Director 1 Limited	Scotland	Dissolved 20 June 2023	100%
D.W. Property Aberdeen Limited	Scotland	Dissolved 20 June 2023	100%
D.W. Property Edinburgh Limited	Scotland	Dissolved 20 June 2023	100%
D.W. Property Glasgow Limited	Scotland	Dissolved 20 June 2023	100%
D.W. Property London Limited	Scotland	Dissolved 20 June 2023	100%
Dundas & Wilson CS Limited	Scotland	Dissolved 20 June 2023	100%
Dundas & Wilson CS LLP	Scotland	Dissolved 20 June 2023	100%
Dundas & Wilson LLP	England & Wales	Dormant	100%
Dundas & Wilson Staff Pension Trustee Limited	Scotland	Dormant	100%
Eagle Place Notices Limited	England & Wales	Dissolved 27 June 2023	100%
Eagle Place Services Limited	England & Wales	Dormant	100%
Eagle Place Trustees Limited	England & Wales	Dormant	100%
E.F.T. & S Trustees Limited	England & Wales	Dissolved 27 June 2023	100%
EPS Secretaries Limited	England & Wales	Subject to a proposal to strike off	100%
Mikjon Limited	England & Wales	Dissolved on 18 July 2023	100%
Mitre Directors Limited	England & Wales	Dissolved on 18 July 2023	100%

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**11. Subsidiaries and related undertakings (continued)**

<b>Name of entity</b>	<b>Country of registration</b>	<b>Status</b>	<b>Proportion of ordinary shares or ownership</b>
Mitre Secretaries Limited	England & Wales	Dormant	100%
Nabarro Nathanson Limited	England & Wales	Dissolved 27 June 2023	100%
Nabco 1 Limited	England & Wales	Dissolved 27 June 2023	100%
Nabco 2 Limited	England & Wales	Dissolved 27 June 2023	100%
Olswang Cosec Limited	England & Wales	Dormant	100%
Olswang Directors 1 Limited	England & Wales	Dissolved 31 October 2023	100%
Olswang Directors 2 Limited	England & Wales	Dissolved 31 October 2023	100%
Olswang Holdings Limited	England & Wales	Dissolved 27 June 2023	100%
Olswang Nominees Limited	England & Wales	Dissolved 31 October 2023	100%
Olswang LLP	England & Wales	Dormant	100%
Olswang Germany LLP	England & Wales	Dormant	100%
Olswang Partners LLP	England & Wales	Dissolved 7 November 2023	100%
Olswang Services Limited	England & Wales	Dormant	100%
OMD Services Limited	England & Wales	Subject to a proposal to strike off	100%
Stratton Street Trustees Limited	England & Wales	Dormant	100%
TKB Registrars Limited	England & Wales	Dormant	100%
TKB Trustees Limited	England & Wales	Dissolved 27 June 2023	100%
Twenty-Eight Nominees Limited	Scotland	Dormant	100%

All entities above registered in England and Wales have a registered office address of Cannon Place, 78 Cannon Street, London EC4N 6AF.

All entities above registered in Scotland have a registered office address of Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EN.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**11. Subsidiaries and related undertakings (continued)****GROUP**

	<b>Subsidiary undertakings £'000</b>	<b>Total £'000</b>
<b>Cost</b>		
At 1 May 2022	699	699
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 30 April 2023	699	699
	<hr/>	<hr/>
<b>Accumulated Impairment</b>		
At 1 May 2022	-	-
Impairment loss	699	699
	<hr/>	<hr/>
At 30 April 2023	699	699
	<hr/>	<hr/>
<b>Net book value</b>		
At 30 April 2023	-	-
	<hr/> <hr/>	<hr/> <hr/>
At 30 April 2022	699	699
	<hr/> <hr/>	<hr/> <hr/>

**LLP**

	<b>Share of joint ventures and associates £000</b>	<b>Subsidiary undertakings £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 1 May 2022	1,406	325	1,731
Additions	-	-	-
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 30 April 2023	1,406	325	1,731
	<hr/>	<hr/>	<hr/>
<b>Accumulated Impairment</b>			
At 1 May 2022	707	-	707
Impairment loss	699	-	699
	<hr/>	<hr/>	<hr/>
At 30 April 2023	1,406	-	1,406
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 30 April 2023	-	325	325
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 30 April 2022	699	325	1,024
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**12. External investments****Group and LLP**

	<b>£'000</b>
<b>Cost</b>	
At 1 May 2022	591
Additions	45
Disposals	-
	636
At 30 April 2023	636
<b>Accumulated Impairment</b>	
At 1 May 2022	110
Impairment	102
	212
At 30 April 2023	212
<b>Carrying amount</b>	
At 30 April 2023	424
	424
At 30 April 2022	481
	481

External investments included unquoted debentures that are stated at fair value.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**13. Debtors**

	Group		LLP	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Amounts falling due within one year</b>				
Trade debtors	237,533	234,506	210,174	206,067
Accrued income	49,595	51,139	43,499	44,205
Amounts owed by members	21,221	21,191	21,221	21,191
Amounts owed by group undertakings	-	-	79,799	78,446
Other debtors and prepayments	41,003	35,791	35,014	28,535
	<u>349,352</u>	<u>342,627</u>	<u>389,707</u>	<u>378,444</u>

Amounts due from group undertakings are unsecured, interest free and repayable on demand.

The ageing of trade receivables and the resulting provisions are presented below:

	Group		LLP	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
30 days or less	148,399	116,469	134,490	104,248
31 to 90 days	50,671	72,102	44,785	64,389
91 to 180 days	18,528	26,347	15,628	21,755
181 to 270 days	12,141	10,516	9,982	8,733
271 to 365 days	5,813	5,105	4,389	4,112
More than 365 days	15,961	16,533	12,214	13,121
Less: expected credit loss	(13,980)	(12,566)	(11,314)	(10,291)
	<u>237,533</u>	<u>234,506</u>	<u>210,174</u>	<u>206,067</u>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**13. Debtors (continued)**

Movements in the expected credit loss

	<b>Group</b>	<b>LLP</b>
	<b>£'000</b>	<b>£'000</b>
At 1 May 2022	12,566	10,291
Income statement:		
Charge for the financial year	10,801	9,317
Released unused during the financial year	(3,469)	(3,245)
Utilised during the financial year	<u>(5,918)</u>	<u>(5,049)</u>
At 30 April 2023	<u>13,980</u>	<u>11,314</u>

**14. Creditors: amounts falling due within one year**

	<b>Group</b>		<b>LLP</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Loans under revolving credit facilities	-	18,146	-	18,146
Trade creditors	36,109	38,906	33,258	34,502
Corporation tax	974	1,283	-	-
Other Social security and other taxes	15,738	17,934	13,637	10,626
Rent free creditor	26,001	27,194	26,000	27,181
Other creditors	432	1,652	579	4,335
Amounts owed to former members	8,824	11,934	8,824	11,934
Accruals and deferred income	38,941	44,528	34,756	23,221
Amounts owed to group undertakings	-	-	46,229	52,613
Operating lease incentive creditor	<u>1,544</u>	<u>1,544</u>	<u>1,544</u>	<u>1,544</u>
	<u>128,563</u>	<u>163,121</u>	<u>164,827</u>	<u>184,102</u>

A Revolving Credit Facility Agreement of £150m was set up on 19 December 2022. The facility is provided by Lloyds Bank plc, NatWest Bank plc and Santander UK plc and is unsecured. The interest rate is 1.35% + SONIA.

The rent free creditor allows such incentives to be recognised over the life of the leases.

Amounts due to group undertakings are unsecured, interest free and repayable on demand.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**15. Creditors: amounts falling due after more than one year**

	Group		LLP	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Operating lease incentive creditor	22,803	24,347	22,803	24,347
Other creditors	213	225	213	225
	23,016	24,572	23,016	24,572

The operating lease incentive creditor comprises certain cash contributions received in connection with granting of new property leases which will be recognised over the life of the lease.

**16. Provisions for liabilities**

Group	Property £'000	Legal claims £'000	Annuities £'000	Total £'000
At 1 May 2022	2,183	2,140	10,207	14,530
Charge to profit and loss account	265	3,511	3,637	7,413
Utilisation of provision	(1)	(2,916)	(4,825)	(7,742)
Released unused	(690)	(1,106)	-	(1,796)
	1,757	1,629	9,019	12,405

**Property**

The provision for property is in respect of dilapidations and onerous leases - £1,757,000 and £Nil respectively (2022 - £2,182,000 and £1,000). It is expected that the majority of this cash outflow will be incurred within five years of the balance sheet date.

**Legal claims**

The provision for legal claims relates primarily to claims for alleged professional negligence. It is expected that the majority of this cash outflow will be incurred in the next financial year and that all will be incurred within three years of the balance sheet date.

**Annuities**

The annuity liabilities are in relation to former partners. It is expected that this cash outflow will be incurred within three years of the balance sheet date.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**16. Provisions for liabilities (continued)**

LLP	Property £'000	Legal claims £'000	Annuities £'000	Total £'000
At 1 May 2022	1,901	2,140	10,207	14,248
Charge to profit and loss account	-	3,511	3,636	7,147
Utilisation of provision	-	(2,916)	(4,825)	(7,741)
Released unused	(589)	(1,106)	-	(1,695)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2023	1,312	1,629	9,018	11,959
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**Property**

The provision for property is in respect of dilapidations and onerous leases - £1,311,000 and £nil respectively (2022 - £1,901,000 and £nil). It is expected that the majority of this expenditure will be incurred within five years of the balance sheet date.

**Legal claims**

The provision for legal claims relates primarily to claims for alleged professional negligence. It is expected that the majority of this expenditure will be incurred in the next financial year and that all will be incurred within three years of the balance sheet date.

**Annuities**

The basis of calculation of the annuities provision in the LLP only balance sheet is the same as set out above in relation to the consolidated balance sheet, but takes account only of those partners whose annuity entitlements are a direct obligation of the LLP.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**17. Financial instruments**

The carrying values of the Group and LLP financial assets and liabilities are summarised by category below:

	Notes	Group		LLP	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Financial assets</b>					
Measured at amortised cost					
- Trade and other debtors	13	251,589	248,721	221,271	213,828
- Accrued income	13	49,595	51,139	43,499	44,205
- Amounts due from members	13	21,221	21,191	21,221	21,191
- Amounts due from group undertakings	13	-	-	79,799	78,446
- Cash at bank and in hand		56,132	93,507	32,360	72,028
		<u>378,537</u>	<u>414,558</u>	<u>398,150</u>	<u>429,698</u>

**Financial liabilities**

Measured at amortised cost

- Loan under Revolving credit	14	-	18,146	-	18,146
- Trade and other creditors	14	101,483	112,280	68,592	89,239
- Amounts due to former members	14	8,824	11,934	8,824	11,934
- Amounts due to group undertakings	14	-	-	46,229	52,613
		<u>110,307</u>	<u>142,360</u>	<u>123,645</u>	<u>171,932</u>

The Group and LLP's income and expense in respect of financial instruments are summarised below:

		Group		LLP	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Interest income and expense</b>					
Total interest income for financial assets at amortised cost	4	<u>1,430</u>	<u>49</u>	<u>1,279</u>	<u>33</u>
Total interest expense for financial liabilities at amortised cost	4	<u>435</u>	<u>458</u>	<u>435</u>	<u>458</u>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**18. Net cash inflow from operating activities**

Reconciliation of profit for the financial year to cash generated by operations:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	196,185	213,964
Depreciation	11,669	10,948
Impairment loss	801	1,808
Interest payable and similar charges	1,657	1,505
Interest receivable and similar income	(2,081)	(73)
Tax expense	2,521	1,802
Increase in debtors	(6,695)	(68,745)
Decrease/Increase in creditors	(16,823)	20,333
Increase in provisions	2,441	7,563
Contributions to defined benefit pension scheme	(4,160)	(4,510)
Amounts charged for annuity obligations	(4,566)	(5,484)
<b>Cash from operations</b>	<b>180,949</b>	<b>179,111</b>
Tax paid	(1,146)	(966)
<b>Net cash generated from operating activities before transactions with members</b>	<b>179,803</b>	<b>178,145</b>
Members remuneration charged as an expense	26,291	23,780
Payments to former members	(3,914)	(7,059)
<b>Net cash inflow from operating activities</b>	<b>202,180</b>	<b>194,866</b>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**19. Analysis of changes in net debt**

	<b>At 1 May 2022 £'000</b>	<b>Cash flows £'000</b>	<b>Other non-cash changes £'000</b>	<b>At 30 April 2023 £'000</b>
<b>Cash and cash equivalents</b>				
Cash	93,507	(38,870)	1,495	56,132
	93,507	(38,870)	1,495	56,132
<b>Borrowings</b>				
Debt due within one year	(18,146)	18,146	-	-
<b>Net debt (before members' debt)</b>	75,361	(20,724)	1,495	56,132
<b>Loans and other debts due to members</b>				
Members' capital	(53,443)	(3,179)	-	(56,622)
Other amounts due to members	(12,096)	(33,797)	15,311	(30,582)
	(65,539)	(36,976)	15,311	(87,204)
<b>Total</b>	<b>9,822</b>	<b>(57,700)</b>	<b>16,806</b>	<b>(31,072)</b>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**20. Financial commitments**

The Group and LLP's total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		LLP	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Operating lease payments in respect of land and buildings:				
Within one year	24,047	21,972	19,518	18,096
Between one and five years	85,458	85,866	74,326	73,860
After more than five years	198,732	218,508	189,098	207,086
	308,237	326,346	282,942	299,042

	Group		LLP	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Other operating lease payments:				
Within one year	544	572	504	534
Between one and five years	30	52	1	5
	574	624	505	539

At 30 April 2023 the Group and LLP had no capital commitments that were contracted but not provided for in the financial statements (2022 – nil).

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**21. Employee benefits****Defined contribution scheme**

The cost of contributions to the Group's GPP Plan included in the profit and loss account for the year was £9,504,000 (2022 – £7,769,000).

**Defined benefit schemes**

The LLP has two legacy defined benefit pension schemes in the UK both of which offer both pensions in retirement and death benefits to its employees (and their dependants) at retirement. Pension benefits are related to the scheme participants' final salary at retirement and their length of service.

- A legacy CMS Cameron McKenna scheme which has been closed to new entrants since 30 September 1997 and closed to future accrual on 2 April 2011.
- A legacy Nabarro LLP which scheme has been closed to new entrants since June 2001 and to future accrual of benefits in 2004. The liability for this scheme transferred from Nabarro LLP to CMS Cameron McKenna Nabarro Olswang LLP on the merger in 2017.

The pension liabilities of the defined benefit schemes are assessed in accordance with the advice of an independent qualified actuary, Kathy Deverell-Smith of Isio Group Limited. The last completed full actuarial valuations were performed as at 30 April 2020. The method used to determine pension liabilities for the defined benefit scheme is the projected unit method. Assets are measured at market value and the liabilities are discounted at the rate of return available at the balance sheet date on high corporate bonds.

The LLP will monitor funding levels annually and the funding schedule will be reviewed between the LLP and the members every three years, based on actuarial valuations. The LLP considers that the contribution rates agreed with the members are sufficient to eliminate the current deficit over the agreed period.

**Summary of amounts recognised in the statement of comprehensive income**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Total remeasurement of the net defined benefit asset recognised in the statement of comprehensive income – legacy CMS Cameron McKenna	(7,510)	3,228
Total remeasurement of the net defined benefit asset/liability recognised in the statement of comprehensive income – legacy Nabarro LLP	(10,561)	12,867
	<hr/>	<hr/>
Total recognised in the statement of comprehensive income	<u>(18,071)</u>	<u>16,095</u>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**21. Employee benefits (continued)****Surplus in the pension scheme recognised in the balance sheet**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Legacy CMS Cameron McKenna	2,112	8,691
Legacy Nabarro LLP	4,262	10,943
	<hr/>	<hr/>
Total recognised in the Balance Sheet	<u>6,374</u>	<u>19,634</u>

**Defined benefit scheme – legacy CMS Cameron McKenna**

Based on the latest actuarial valuation, the LLP and the members have agreed the following funding objectives:

- to set contributions such as to eliminate the deficit by 31 July 2026;
- once the current deficit is eliminated to maintain funding at least at this level; and
- to meet the liabilities of the defined benefit scheme in the event that the plan is wound up.

The contributions to the defined benefit pension scheme are determined with the advice of an independent, qualified actuary on the basis of triennial valuations using the projected unit method. The scheme is funded and the assets are held in a separately-administered fund. The Group made employer contributions of £660,000 (2022: £660,000) during the year. It is expected that the Group will contribute £660,000 to the scheme in the year ending 30 April 2024.

The amounts recognised in the balance sheet are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Present value of funded obligations	(29,573)	(37,793)
Fair value of plan assets	31,685	46,484
	<hr/>	<hr/>
Surplus in the pension scheme recognised in the balance sheet	<u>2,112</u>	<u>8,691</u>

The amounts recognised in the profit and loss account are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Recognised within net finance costs:		
Interest expense on pension scheme obligations	(1,113)	(874)
Interest income on scheme assets	1,384	972
	<hr/>	<hr/>
Net interest income	<u>271</u>	<u>98</u>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**21. Employee benefits (continued)**

The amounts recognised in the statement of comprehensive income are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Return on assets, excluding interest income on pension scheme assets	(15,472)	(4,139)
Actuarial gain on pension scheme liabilities	7,962	7,367
	<hr/>	<hr/>
Total remeasurement of the net defined benefit asset recognised in the statement of comprehensive income	(7,510)	3,228
	<hr/>	<hr/>
Cumulative actuarial (loss)/gain recognised in the statement of comprehensive income	(5,924)	1,586
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of the defined benefit obligation are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Opening defined benefit obligation	37,793	45,308
Interest cost	1,113	874
Actuarial gain	(7,962)	(7,367)
Benefits paid	(1,371)	(1,022)
	<hr/>	<hr/>
Closing defined benefit obligation	29,573	37,793
	<hr/> <hr/>	<hr/> <hr/>

Movements in the fair value of scheme assets are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of scheme assets	46,484	50,013
Interest income	1,384	972
Return on assets, excluding interest income	(15,472)	(4,139)
Contributions by the employer	660	660
Benefits paid	(1,371)	(1,022)
	<hr/>	<hr/>
Closing fair value of scheme assets	31,685	46,484
	<hr/> <hr/>	<hr/> <hr/>

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**21. Employee benefits (continued)**

The principal actuarial assumptions at the balance sheet date were as follows:

	<b>2023</b>	<b>2022</b>
	%	%
Discount rate	4.95%	3.00%
Inflation (RPI)	3.20%	3.55%
Inflation (CPI)	2.60%	2.95%
Rate of increase in pension in payments:		
Fixed 3%	3.00%	3.00%
Inflation (RPI) min 3% max 5%	3.79%	3.77%
Inflation (RPI) max 2.5%	1.83%	2.31%
Inflation (CPI) max 3%	1.96%	2.48%

At 30 April 2023, the actuarial valuations assume that mortality of scheme participants will be in line with the nationally-published 104% S3PxA mortality base table using CMI 2021 with long range annual mortality improvement of 1.25% (2022 – 1.25%).

The following table illustrates the life expectancy for a scheme participant on retirement at age 65:

		<b>2023</b>	<b>2022</b>
Current pensioners	- Males	21.5	21.5
(Currently aged 65)	- Females	24.0	23.9
Future pensioners	- Males	22.8	22.7
(Currently aged 45)	- Females	25.4	25.4

The assumptions used in determining the overall expected return of the scheme have been set in line with the returns targeted by the scheme and as advised by the Trustees' investment consultants. These target returns have been set with reference to yields available on bonds and cash with appropriate risk margins.

The major categories of assets in the scheme were as follows:

	<b>2023</b>	<b>2022</b>
	£'000	£'000
Cash and swaps	(1,717)	(3,191)
Multi-asset and alternatives	8,303	14,034
Gilts	16,760	25,733
Property	853	1,203
Bonds	7,472	8,705
Currency hedge	14	-
<b>Total market value of scheme assets</b>	<b>31,685</b>	<b>46,484</b>

The scheme assets do not directly include any of the Group's financial instruments, nor any property occupied by, or other assets used by, the Group.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**21. Employee benefits (continued)****Defined benefit scheme – legacy Nabarro LLP**

Based on the latest actuarial valuation, the Partnership and the members have agreed the following funding objectives:

- To set contributions such as to eliminate the deficit by 30 April 2028;
- Once the current deficit is eliminated to maintain the funding level;
- To meet the liabilities of the defined benefit scheme in the event that the plan is wound up

The contributions to the defined benefit pension scheme are determined with the advice of an independent, qualified actuary on the basis of triennial valuations using the projected unit method. The scheme is funded and the assets are held in a separately administered fund.

As part of the recovery plan, the Group agreed to pay £2,850,000 per annum from 1 May 2022 until 30 April 2023, followed by £2,500,000 per annum from 1 May 2023 to 30 April 2028.

The estimated amount of contributions to be paid into the scheme during the financial year to 30 April 2024 is £2,500,000, representing the amount required under the recovery plan plus an expected additional voluntary amount.

The amounts recognised in the balance sheet are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Present value of funded obligations	(82,266)	(109,556)
Fair value of plan assets	86,528	120,499
	<u>          </u>	<u>          </u>
Surplus in the pension scheme and liability recognised in the balance sheet	4,262	10,943
	<u>          </u>	<u>          </u>

The amounts recognised in the profit and loss account are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Interest expense on pension scheme obligations	(3,252)	(2,519)
Interest income on scheme assets	3,632	2,445
	<u>          </u>	<u>          </u>
Net interest income/(expense)	380	(74)
	<u>          </u>	<u>          </u>

**Notes to the Financial Statements (continued)****Year ended 30 April 2023****21. Employee benefits (continued)**

The amounts recognised in the statement of comprehensive income are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Return on assets, excluding interest income on pension scheme assets	(38,750)	(7,729)
Actuarial gain on pension scheme liabilities	28,189	20,596
	<u>          </u>	<u>          </u>
Total remeasurement of the net defined benefit asset/(liability) recognised in the statement of comprehensive income	<u>(10,561)</u>	<u>12,867</u>

Movements in the present value of the defined benefit obligation are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Opening defined benefit obligation	109,556	130,728
Interest cost	3,252	2,519
Actuarial gain	(28,189)	(20,596)
Benefits paid	(2,353)	(3,095)
	<u>          </u>	<u>          </u>
Closing defined benefit obligation	<u>82,266</u>	<u>109,556</u>

Movements in the fair value of scheme assets are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of scheme assets	120,499	125,028
Return on assets, excluding interest income	(38,750)	(7,729)
Interest income	3,632	2,445
Contributions by the employer	3,500	3,850
Benefits paid	(2,353)	(3,095)
	<u>          </u>	<u>          </u>
Closing fair value of scheme assets	<u>86,528</u>	<u>120,499</u>

The principal actuarial assumptions at the balance sheet date were as follows:

	<b>2023</b>	<b>2022</b>
Discount rate	4.95%	3.00%
Inflation (RPI)	3.20%	3.55%
Inflation (CPI)	2.85%	3.20%

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**21. Employee benefits (continued)**

	<b>2023</b>	<b>2022</b>
Rate of increase in pension in payments:		
Fixed 5%	5.00%	5.00%
Inflation (CPI) max 5%	2.72%	3.16%
Inflation (CPI) max 3%	2.06%	2.60%
Inflation (CPI) min 3% max 5%	3.66%	3.56%
Inflation (CPI) min 3.5% max 5%	3.94%	3.82%

At 30 April 2023, the actuarial valuations assume that mortality of scheme participants will be in line with the nationally-published 110% S3PxA mortality base table using CMI 2021 with long range annual mortality improvement of 1.25% (2022 – 1.25%).

The following table illustrates the life expectancy for a scheme participant on retirement at age 60:

		<b>2023</b>	<b>2022</b>
Current pensioners	- Males	25.7	25.6
(Currently aged 60)	- Females	28.5	28.4
Future pensioners	- Males	27.2	27.1
(Currently aged 40)	- Females	30.0	29.9

The assumptions used in determining the overall expected return of the scheme have been set in line with the returns targeted by the scheme and as advised by the Trustees' investment consultants. These target returns have been set with reference to yields available on bonds and cash with appropriate risk margins.

The major categories of assets in the scheme were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bonds	18,582	20,735
Cash and swaps	(5,672)	2,440
Currency hedge	41	-
Property	2,777	3,714
Multi Asset and alternatives	31,645	49,667
Gilts	39,155	43,943
	<u>86,528</u>	<u>120,499</u>
Total market value of scheme assets	<u>86,528</u>	<u>120,499</u>

The scheme assets do not directly include any of the Group's financial instruments, nor any property occupied by, or other assets used by, the Group.

Following a review, the analysis by major categories of assets in the scheme of the prior year fair values has been restated. The restatement did not result in any adjustments to either the statement of comprehensive income or balance sheet.

**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2023**

**22. Contingent liabilities**

In the normal course of business, the Group may receive claims for alleged negligence. The Group maintains appropriate professional indemnity cover through the commercial market. The costs associated with handling and settling claims that are considered likely to succeed are provided for. Claims that are only considered possible or unlikely to succeed are assumed to have zero likely cost and are therefore not provided for.

As at 30 April 2023, Aries CMS Holdco BV had a loan facility of €9.75m (2022 - €9.75m) of which €9.75m (2022 - €9.75m) was drawn down. The loan is guaranteed by the LLP albeit with recourse to CMS Legal and other member firms for approximately 55% of the amount.

**23. Related party transactions**

The total remuneration for key management personnel in the year was £5,373,000 (2022 - £6,220,000).

CMS Cameron McKenna Nabarro Olswang LLP has relied upon the exemption given in FRS 102 (33.1A) not to disclose transactions between itself and its subsidiary undertakings. Transactions and balances relating to joint ventures are disclosed separately in Note 11, 'Subsidiaries and related undertakings'.

**24. Controlling party**

The LLP is controlled by its members and as such there is no one controlling party.