
CLUTTONS LLP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

CLUTTONS LLP

INFORMATION

Designated Members	J R Gray Paisley Newco Limited
LLP registered number	OC344742
Registered office	Yarnwicke 119-121 Cannon St EC4N 5AT
Independent auditors	PKF Smith Cooper Audit Limited Statutory Auditors 158 Edmund Street Birmingham B3 2HB
Bankers	HSBC Bank Plc 8 Canada Square London E14 5HQ

CLUTTONS LLP

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CLUTTONS LLP

MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The members present their annual report together with the audited financial statements of Cluttons LLP (the "LLP and the Group") for the year ended 31 March 2023.

Principal activities

The principal activities of Cluttons LLP is the provision of chartered surveying and property consultancy services with a network of ten offices in the UK.

Designated Members

The designated members during the year were as follows:

J R Gray

Paisley Newco Limited

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

The LLP operates a drawings policy which has regard to a cautious estimate of budgeted profits and restricts monthly drawings to prudent levels until the results for the year and individual members' allocations have been determined. Members' capital requirements are determined at the start of each financial year. The LLP pays interest on each member's capital account payable before any allocation of profits.

Subject to compliance with certain provisions of the LLP Deed Members' capital is ordinarily repayable within a defined period following the departure of a member and is therefore classified as a liability.

Members' interests

The reconciliation of members' interests, including the amounts transferred from equity to debt during the year, are included on pages 13 and 14.

Review of business

Over the previous years the business has been building solid foundations to achieve its growth strategy. The board agreed that new investment would be required to achieve the ambitious growth targets. On 5 December 2023 the partners of the LLP completed a management buyout with the support of TREUN Capital.

The business has focussed on preparing for growth over the previous years, in what has been a challenging backdrop of the post COVID economic recovery, ongoing global political uncertainty and the impact of the mini budget within the financial year under review. Alongside the continuing growth in the North the business is looking to maximise the potential of its residential, connectivity, workplace, and sustainability expertise.

The group is committed to supporting the pillars of ESG through outstanding environmental sustainability performance within the business as well as helping its clients to create sustainable value from their property assets.

We place people at the heart of our business. Our constant aim is to retain and build long term relationships with our people and the communities we work within. We want to positively impact the local communities within which we work and live.

Our culture reflects our values of drive, fascination, collaboration, community and challenge. Learning from the pandemic as well as taking on board employee feedback, we have introduced hybrid ways of working to enable all our employees to have better work life balance, as well using our office network with purpose; for collaboration, community and fascination to learn and innovate.

**MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Results

The consolidated results for the year ended 31 March 2023 are shown in the Consolidated Statement of Comprehensive Income on page 8.

For the year ending 31 March 2023 the group delivered consolidated income of £25.1m (2022 - £24.8m), a 1% uplift year on year, the results having been impacted by the mini budget. The group delivered operating profit of £3.2m, a 30% decrease year on year (2022 - £4.6m).

The business monitors EBITDA as a key performance indicator. Several exceptional costs were incurred during the financial year, linked to the restructuring referred to above, meaning the operating profit after deducting members' remuneration charged as an expense bridges back to an EBITDA of £1.6m (2023 - £2.0m).

Post Balance Sheet Events

On 5 December 2023 CIM Newco Limited became the controlling party of Cluttons LLP following its purchase of Paisley Newco Limited. The ultimate controlling party is considered to be funds managed by Treun Capital General Partner Limited by virtue of their shareholding in CIM Newco Limited.

Members' responsibilities statement

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

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP and the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditors

Each of the persons who are members at the time when this Members' Report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the Group's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Auditors

The auditors, PKF Smith Cooper Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to limited liability partnerships within Part 15 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008).

This report was approved by the members on 20 December 2023 and signed on their behalf by:

J R Gray

Designated member

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLUTTONS LLP

Opinion

We have audited the financial statements of Cluttons LLP (the 'parent LLP') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Group Statement of Comprehensive Income, the Group and LLP Balance Sheets, the Group Statement of Cash Flows, the Group and LLP Reconciliation of Members' Interests and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent LLP's affairs as at 31 March 2023 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLUTTONS LLP (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The members are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, requires us to report to you if, in our opinion:

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

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 2, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the Group's and the parent 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 parent LLP or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLUTTONS LLP (CONTINUED)

Auditors' 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 Group financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. Based on our understanding of the Group and the industry, key laws and regulations that we have identified included:

- Companies Act 2006, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008;
- Tax legislation;
- Health and safety;
- General Data Protection Regulation (GDPR);
- Royal Institute of Chartered Surveyors (RICS);
- ARLA Propertymark;
- Association of Residential Managing Agents (ARMA); and
- Financial Conduct Authority (FCA)

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.

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- Management bias in respect of accounting estimates and judgements made;
- Management override of control; and
- Posting of unusual journals or transactions.

We focussed on those areas that could give rise to a material misstatement in the Group financial statements. Our procedures included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims including instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance where available;
- Reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations and;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias, in particular revenue recognition criteria for work in progress and accrued revenue, goodwill useful life and amortisation and the bad debt provision.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLUTTONS LLP (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Newman (Senior Statutory Auditor)

for and on behalf of

PKF Smith Cooper Audit Limited

Statutory Auditors

158 Edmund Street
Birmingham
B3 2HB

21 December 2023

CLUTTONS LLP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	4	25,147,169	24,834,579
Gross profit		25,147,169	24,834,579
Administrative expenses		(22,231,104)	(20,481,806)
Other operating income	5	355,236	290,017
Operating profit	6	3,271,301	4,642,790
Interest payable and similar expenses	10	(52,656)	(13,931)
Profit before tax		3,218,645	4,628,859
Tax on profit	11	(11,171)	(52,178)
Profit for the year before members' remuneration and profit shares		3,207,474	4,576,681
Profit for the year before members' remuneration and profit shares		3,207,474	4,576,681
Members' remuneration charged as an expense		(3,159,933)	(3,740,284)
Profit for the financial year available for discretionary division among members		47,541	836,397

There was no other comprehensive income for 2023(2022:£NIL).

The notes on pages 17 to 38 form part of these financial statements.

CLUTTONS LLP
REGISTERED NUMBER: OC344742

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	867,733	1,027,182
Tangible assets	14	624,726	882,734
		<u>1,492,459</u>	<u>1,909,916</u>
Current assets			
Debtors: amounts falling due within one year	16	8,515,669	6,977,591
Cash at bank and in hand	17	68,770	511,278
		<u>8,584,439</u>	<u>7,488,869</u>
Creditors: amounts falling due within one year	18	(5,738,490)	(4,575,066)
Net current assets		<u>2,845,949</u>	<u>2,913,803</u>
Total assets less current liabilities		<u>4,338,408</u>	<u>4,823,719</u>
Creditors: amounts falling due after more than one year	19	(263,014)	(364,825)
Provisions for liabilities			
Other provisions	21	(445,415)	(464,386)
		<u>(445,415)</u>	<u>(464,386)</u>
Net assets		<u><u>3,629,979</u></u>	<u><u>3,994,508</u></u>

CLUTTONS LLP
REGISTERED NUMBER: OC344742

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £		2022 £
Capital and reserves				
Loans and other debts due to members within one year				
Members' capital classified as a liability	22	2,315,008		2,175,008
Other amounts	22	1,267,430		1,106,510
		3,582,438		3,281,518
Members' other interests				
Other reserves classified as equity		47,541	712,990	
		47,541		712,990
		3,629,979		3,994,508
Total members' interests				
Loans and other debts due to members	22	3,582,438		3,281,518
Members' other interests		47,541		712,990
		3,629,979		3,994,508

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 20 December 2023.

J R Gray
Designated member

The notes on pages 17 to 38 form part of these financial statements.

CLUTTONS LLP
REGISTERED NUMBER: OC344742

LLP BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	869,417	1,028,866
Tangible assets	14	623,042	881,051
Investments	15	65,316	50,316
		<u>1,557,775</u>	<u>1,960,233</u>
Current assets			
Debtors: amounts falling due within one year	16	8,129,763	6,616,077
Cash at bank and in hand	17	-	451,639
		<u>8,129,763</u>	<u>7,067,716</u>
Creditors: amounts falling due within one year	18	(5,772,677)	(4,585,954)
		<u>2,357,086</u>	<u>2,481,762</u>
Net current assets			
		<u>3,914,861</u>	<u>4,441,995</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	19	(263,014)	(364,825)
Provisions for liabilities			
Other provisions	21	(315,000)	(333,971)
		<u>(315,000)</u>	<u>(333,971)</u>
Net assets			
		<u><u>3,336,847</u></u>	<u><u>3,743,199</u></u>

CLUTTONS LLP
REGISTERED NUMBER: OC344742

LLP BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Represented by:			
Loans and other debts due to members within one year	22		
Members' capital classified as a liability		2,315,008	2,175,008
Other amounts		1,015,569	1,106,513
		3,330,577	3,281,521
Members' other interests			
Other reserves classified as equity brought forward		461,678	1,516,787
Profit for the year available for discretionary division among members		6,270	1,039,425
Other movements in other reserves		(461,678)	(2,094,534)
		6,270	461,678
		3,336,847	3,743,199
Total members' interests			
Loans and other debts due to members	22	3,330,577	3,281,521
Members' other interests		6,270	461,678
		3,336,847	3,743,199

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 20 December 2023.

J R Gray
Designated member

The notes on pages 17 to 38 form part of these financial statements.

CLUTTONS LLP

CONSOLIDATED RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2023

	EQUITY		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' other interests	Members' capital (classified as a liability)	Other amounts	Total	Total
	Other reserves £	£	£	£	£
Amounts due to members		2,300,008	387,818	2,687,826	
Balance at 1 April 2021	1,971,127	2,300,008	387,818	2,687,826	4,658,953
Members' remuneration charged as an expense	-	-	3,740,284	3,740,284	3,740,284
Profit for the year available for discretionary division among members	836,397	-	-	-	836,397
Members' interests after profit for the year	2,807,524	2,300,008	4,128,102	6,428,110	9,235,634
Allocation of profits	(2,094,534)	-	2,094,534	2,094,534	-
Capital introduced by members during the year	-	175,000	-	175,000	175,000
Repayments of capital during the year	-	(300,000)	-	(300,000)	(300,000)
Drawings (including tax payments)	-	-	(5,116,126)	(5,116,126)	(5,116,126)
Amounts due to members		2,175,008	1,106,510	3,281,518	
Balance at 31 March 2022	712,990	2,175,008	1,106,510	3,281,518	3,994,508
Members' remuneration charged as an expense	-	-	3,159,933	3,159,933	3,159,933
Profit for the year available for discretionary division among members	47,541	-	-	-	47,541
Members' interests after profit for the year	760,531	2,175,008	4,266,443	6,441,451	7,201,982
Allocation of profits	(712,990)	-	712,990	712,990	-
Capital introduced by members during the year	-	250,000	-	250,000	250,000
Repayments of capital during the year	-	(110,000)	-	(110,000)	(110,000)

	-	(3,712,003	(3,712,003	
Drawings (including tax payments)	-))	(3,712,003)
		1,267,430	3,582,438	
Amounts due to members	2,315,008			
	<u>47,541</u>	<u>1,267,430</u>	<u>3,582,438</u>	
Balance at 31 March 2023	<u>2,315,008</u>			<u>3,629,979</u>

CLUTTONS LLP

LLP RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 MARCH 2023

	EQUITY		Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' other interests	Members' capital (classified as a liability)	Other amounts	Total	Total
	Other reserves £	£	£	£	£
Amounts due to members		2,300,008	435,229	2,735,237	
Balance at 1 April 2021	1,516,787	2,300,008	435,229	2,735,237	4,252,024
Members' remuneration charged as an expense	-	-	3,740,284	3,740,284	3,740,284
Profit for the year available for discretionary division among members	1,039,425	-	-	-	1,039,425
Members' interests after profit for the year	2,556,212	2,300,008	4,175,513	6,475,521	9,031,733
Allocation of profits	(2,094,534)	-	2,094,534	2,094,534	-
Capital introduced by members in the year	-	175,000	-	175,000	175,000
Repayments of capital in the year	-	(300,000)	-	(300,000)	(300,000)
Drawings (including tax payments)	-	-	(5,116,126)	(5,116,126)	(5,116,126)
Other movements	-	-	(47,408)	(47,408)	(47,408)
Amounts due to members		2,175,008	1,106,513	3,281,521	
Balance at 31 March 2022	461,678	2,175,008	3,159,933	3,281,521	3,743,199
Members' remuneration charged as an expense	-	-	-	3,159,933	3,159,933
Profit for the year available for discretionary division among members	6,270	-	-	-	6,270
Members' interests after profit for the year	467,948	2,175,008	4,266,446	6,441,454	6,909,402
Allocation of profits	(461,678)	-	461,678	461,678	-
Capital introduced by members during the year	-	250,000	-	250,000	250,000
Repayments of capital during the year	-	(110,000)	-	(110,000)	(110,000)
Drawings (including tax payments)	-	-	(3,712,555)	(3,712,555)	(3,712,555)
Amounts due to members		2,315,008	1,015,569	3,330,577	
Balance at 31 March 2023	6,270	2,315,008	1,015,569	3,330,577	3,336,847

CLUTTONS LLP

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	47,541	836,397
Adjustments for:		
Members' remuneration charged as an expense	3,159,933	3,740,284
Amortisation of intangible assets	257,192	200,464
Depreciation of tangible assets	573,137	424,699
Loss on disposal of tangible assets	12,468	-
Government grants	-	(219,020)
Interest paid	52,656	13,931
Taxation charge	11,171	52,178
(Increase) in debtors	(1,538,078)	(1,713,605)
Increase/(decrease) in creditors	355,459	(428,999)
(Decrease)/increase in provisions	(18,971)	154,994
Corporation tax received/(paid)	2,019	(102,915)
Net cash generated from operating activities before transactions with members	2,914,527	2,958,408
Cash flows from investing activities		
Purchase of intangible fixed assets	(97,743)	(144,506)
Purchase of tangible fixed assets	(327,597)	(507,917)
Deferred consideration received	-	1,000,000
Net cash from investing activities	(425,340)	347,577

CLUTTONS LLP

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
Cash flows from financing activities		
Cash received from bank loans	476,169	-
Repayment of loans	(101,811)	(1,533,363)
Interest paid	(52,656)	(13,931)
Capital introduced by members	250,000	325,000
Members drawings	(3,712,003)	(5,116,126)
Capital repaid to members	(110,000)	(300,000)
Government grants received	-	219,020
	<u>(3,250,301)</u>	<u>(6,419,400)</u>
Net cash used in financing activities		
	(761,114)	(3,113,415)
Net (decrease) in cash and cash equivalents		
Cash and cash equivalents at beginning of year	511,278	3,624,693
	<u>(249,836)</u>	<u>511,278</u>
Cash and cash equivalents at the end of year		
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	68,770	511,278
Bank overdrafts	(318,606)	-
	<u>(249,836)</u>	<u>511,278</u>

The notes on pages 17 to 38 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Cluttons LLP is a private limited liability partnership and is incorporated and domiciled in England. The address of its registered office is Yarnwicke, 119-121 Cannon St, London, EC4N 5AT. The principal activities of the Group are given in the Members' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The financial statements are prepared in sterling which is the functional currency of the Group. The financial statements level of rounding is to the nearest £1.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the LLP and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquirees identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the LLP and entities controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

The results of the subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investment in subsidiaries are accounted for at cost less any accumulated impairment losses in the individual financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination, the excess is recognised separately.

2.5 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software development costs are recognised as an intangible asset when all of the following criteria are demonstrated:

- it is technically feasible to complete the software so that it will be available for use or sale;
- the intention of the Group is to complete the software and use or sell it;
- the Group will have the ability to use the software or to sell it;
- the software will generate probable future economic benefits;
- adequate technical, financial and other resources are available to complete the development;
- the Group is able to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their useful economic lives, using the straight line method. The intangible fixed assets are amortised over the following economic lives:

Software licences	up to 5 years
Goodwill	10 years

If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is provided on the following basis, using the straight line method:

Improvements to leasehold property	- 3 to 5 years
Furniture and equipment	- 5 years
Computer equipment	- 3 years
IT platform	- 3 years

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure

2.8 Division and distribution of profits

A division of profits is the mechanism by which the profits of the Group become a debt due to members. A division may be automatic or discretionary, may relate to some or all of the profits for a financial period and may take place during or after the end of a financial period.

An automatic division of profits is one where the Group does not have an unconditional right to avoid making a division of an amount of profits based on the members' agreement in force at the time, whereas a discretionary division of profits requires a decision to be made by the Group, which it has the unconditional right to avoid making.

The Group divides profits both automatically and discretely. Automatic divisions of profits are recognised as 'Members' remuneration charged as an expense' in the Consolidated Statement of Comprehensive Income. Discretionary divisions of profits are recognised as amounts due to members, although may be used to offset amounts which have been drawn by members, which are recognised as loan assets repayable.

Profits of the Group which are not yet divided among the members are shown under 'Other reserves' on the Balance Sheet, pending a discretionary decision to divide the profits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Taxation

Members are personally liable for taxation on their share of the LLP's profits, although payment of such liabilities is administered by the LLP on behalf of the members. Consequently, no reserve for taxation or related deferred taxation is made in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members.

Current tax arising within corporate subsidiaries is recognised for the amount of corporation tax payable for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted in those territories by the balance sheet date.

2.10 Revenue

Group revenue is the total amount estimated to be receivable by the group for services rendered during the year, excluding VAT. Revenue is recognised when a right to consideration has been obtained through performance under each contract. It reflects the contract activity during the year having regard to the stage of completion and the relative uncertainty of predicting ultimate profitability on long term assignments.

Revenues from agency transactions are recognised at the time contracts are exchanged where completion is anticipated within the next 60 days.

Revenues from advisory services are recognised where fees have been unconditionally earned and to the extent that these have not been invoiced at the year end, these amounts are included within amounts recoverable on contracts. Revenue in respect of conditional or contingent fee engagements is recognised when the contingent event occurs.

2.11 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans from banks and to/from related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured as present value of future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.11 Financial instruments (continued)

for measuring any impairment loss is the current effective interest rate determined under the contract.

For financing assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the LLP would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.12 Amounts recoverable on contracts

Services provided to clients during the financial year, which at the balance sheet date have not yet been billed to clients have been recognised in revenue based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement and for fees for professional work that have been unconditionally earned but not yet invoiced at the balance sheet date.

2.13 Operating lease commitments

Assets held under operating leases are not capitalised. Operating lease rentals are charged to the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

2.14 Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of a past event, it is probable that the group will be required to settle the obligation and the amount can be reliably estimated. The best estimate of the amount required to settle the obligation at the reporting date is discounted to present value where the effect is material.

2.15 Professional indemnity claims

Provisions for potential or actual professional indemnity claims are recognised when it is probable that the Group will be required to settle part or all of valid claims against it as a result of a past event and the amount of the obligation can be reliably estimated.

2.16 Dilapidations

Provisions for dilapidations are recognised where the group is required to perform dilapidation repairs on leased properties being vacated at the end of their lease term under a legal obligation and the liability can be reasonably quantified.

2.17 Foreign currency translation

Transactions of the overseas operations are translated at an average rate for the year. Remittances of funds to the United Kingdom and members' drawings are translated at the actual rate ruling at the date of the transactions. All monetary assets and liabilities are translated at the rate ruling on the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.18 Annual leave

The group recognises a provision for annual leave accrued by employees as a result of services rendered in the current year and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

2.19 Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

2.20 Members interests'

Subject to compliance with certain provisions of the LLP Deed Members' capital is ordinarily repayable within a defined period following the departure of a member and is therefore classified as a liability.

2.21 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.22 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.23 Debtors

Short-term debtors are measured at transaction price, less any impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Significant judgements and estimates

Impairment of trade debtors

The provision for impairment of trade debtors is based on the ongoing evaluation of the collectability, aged analysis of the outstanding amounts due from trade debtors and management's judgement which includes assessing the credit worthiness and the past collection history of each trade debtor.

Useful life of goodwill

Management have reviewed the acquired assets and their potential to deliver economic benefit over a period of time and, as at this time, consider that they believe they will deliver benefit for at least a ten-year period. While management has high hopes that the assets will deliver the benefit beyond that period, it is not possible to accurately estimate what this benefit may be beyond ten years, and therefore they consider it inappropriate to extend the useful economic life beyond that.

Impairment of goodwill

FRS102 requires the members to assess the current and future financial performance of the underlying assets to determine whether the carrying value of assets has been impaired.

Revenue recognition

Management consider the various revenue streams separately and make judgements where the nature of the service is such that it is required. The main judgements being:

Where work is in progress at the end of the year and the right to consideration is being accrued as the work is performed, management assess their expectation of the amount they have earned as at the end of the year end and, if not yet invoiced, accrue that revenue.

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Turnover

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	25,147,169	24,834,579
	<u>25,147,169</u>	<u>24,834,579</u>

The whole of turnover arose from the principal activity of the Group.

5. Other operating income

	2023 £	2022 £
Rent receivable	355,236	70,997
Government grants receivable	-	219,020
	<u>355,236</u>	<u>290,017</u>

6. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Amortisation of intangible fixed assets	257,192	200,464
Depreciation of tangible fixed assets	573,137	424,699
Operating lease expenditure - property	1,103,931	1,118,625
Exchange losses	<u>2,113</u>	<u>187</u>

7. Auditors' remuneration

During the year, the Group obtained the following services from the Group's and LLP's auditors:

	2023 £	2022 £
Fees payable to the auditors for the audit of the Group's and LLP's annual financial statements	<u>32,500</u>	<u>32,500</u>

CLUTTONS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Employees

Staff costs were as follows:

	Group 2023 £	<i>Group 2022 £</i>
Wages and salaries	10,895,518	9,811,023
Social security costs	1,246,064	1,037,994
Cost of defined contribution scheme	369,796	335,675
	<u>12,511,378</u>	<u>11,184,692</u>

The average monthly number of persons (excluding members) employed during the year was as follows:

	2023 No.	<i>2022 No.</i>
Management	4	4
Operations	220	207
	<u>224</u>	<u>211</u>

9. Information in relation to members

	2023 Number	<i>2022 Number</i>
The average number of members during the year was	<u>22</u>	<u>29</u>
	2023 £	<i>2022 £</i>
Remuneration due under the terms of the LLP agreement	3,041,993	3,679,597
Interest on loan capital	117,940	60,687
	<u>3,159,933</u>	<u>3,740,284</u>
The amount of profit attributable to the member with the largest entitlement was	<u>286,206</u>	<u>306,388</u>

In addition to the amount disclosed above, the highest paid member also received an additional allocation of profits of £80,433 (2022: £107,064), in relation to profits made during the year to 31 March 2022.

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Interest payable and similar expenses

	2023 £	2022 £
Bank loan interest payable	52,656	13,931
	<u>52,656</u>	<u>13,931</u>

11. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	10,925	44,718
Adjustments in respect of previous periods	246	7,460
	<u>11,171</u>	<u>52,178</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	3,368,786	4,628,859
Less: profits not chargeable to UK corporation tax	(3,316,346)	(4,399,709)
	<u>52,440</u>	<u>229,150</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	9,964	43,539
Effects of:		
Adjustments to tax charge in respect of prior periods	246	7,460
Other differences leading to a decrease in the tax charge	961	1,179
	<u>11,171</u>	<u>52,178</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Taxation (continued)**Factors that may affect future tax charges**

From 1 April 2023 the rate of corporation tax will increase from 19% to 25%. This change in corporation tax rate is expected to impact on the future tax charges for the Group's corporate subsidiaries.

12. Parent LLP profit for the year

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent LLP for the year was £6,270 (2022 - £1,039,425).

13. Intangible assets**Group**

	Software licences	Goodwill	Total
	£	£	£
Cost			
At 1 April 2022	873,630	6,339,819	7,213,449
Additions	97,743	-	97,743
	<hr/>	<hr/>	<hr/>
At 31 March 2023	971,373	6,339,819	7,311,192
	<hr/>	<hr/>	<hr/>
Amortisation			
At 1 April 2022	341,330	5,844,937	6,186,267
Charge for the year	186,492	70,700	257,192
	<hr/>	<hr/>	<hr/>
At 31 March 2023	527,822	5,915,637	6,443,459
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2023	<u>443,551</u>	<u>424,182</u>	<u>867,733</u>
<i>At 31 March 2022</i>	<u>532,300</u>	<u>494,882</u>	<u>1,027,182</u>

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

13. Intangible assets (continued)

LLP

	Software licences £	Goodwill £	Total £
Cost			
At 1 April 2022	873,630	6,339,819	7,213,449
Additions	97,743	-	97,743
At 31 March 2023	<u>971,373</u>	<u>6,339,819</u>	<u>7,311,192</u>
Amortisation			
At 1 April 2022	339,646	5,844,937	6,184,583
Charge for the year	186,492	70,700	257,192
At 31 March 2023	<u>526,138</u>	<u>5,915,637</u>	<u>6,441,775</u>
Net book value			
At 31 March 2023	<u>445,235</u>	<u>424,182</u>	<u>869,417</u>
At 31 March 2022	<u>533,984</u>	<u>494,882</u>	<u>1,028,866</u>

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Tangible fixed assets

Group

	Improvements to leasehold property £	Furniture and equipment £	Computer equipment £	IT Platform £	Total £
Cost					
At 1 April 2022	1,520,411	233,164	569,347	42,390	2,365,312
Additions	254,516	1,710	71,371	-	327,597
Disposals	(143,066)	-	(12,750)	-	(155,816)
					<u>2,537,093</u>
At 31 March 2023	<u>1,631,861</u>	<u>234,874</u>	<u>627,968</u>	<u>42,390</u>	
Depreciation					
At 1 April 2022	874,281	186,610	382,405	39,282	1,482,578
Charge for the year	451,373	31,798	88,957	1,009	573,137
Disposals	(143,066)	-	(282)	-	(143,348)
					<u>1,912,367</u>
At 31 March 2023	<u>1,182,588</u>	<u>218,408</u>	<u>471,080</u>	<u>40,291</u>	
Net book value					
At 31 March 2023	<u>449,273</u>	<u>16,466</u>	<u>156,888</u>	<u>2,099</u>	<u>624,726</u>
At 31 March 2022	<u>646,130</u>	<u>46,554</u>	<u>186,942</u>	<u>3,108</u>	<u>882,734</u>

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Tangible fixed assets (continued)

LLP

	Improvements to leasehold property	Furniture and equipment	Computer equipment	IT platform	Total
	£	£	£	£	£
Cost					
At 1 April 2022	1,520,411	233,164	565,138	42,391	2,361,104
Additions	254,515	1,710	71,371	-	327,596
Disposals	(143,066)	-	(12,750)	-	(155,816)
At 31 March 2023	<u>1,631,860</u>	<u>234,874</u>	<u>623,759</u>	<u>42,391</u>	<u>2,532,884</u>
Depreciation					
At 1 April 2022	874,281	186,610	379,880	39,282	1,480,053
Charge for the year	451,373	31,798	88,957	1,009	573,137
Disposals	(143,066)	-	(282)	-	(143,348)
At 31 March 2023	<u>1,182,588</u>	<u>218,408</u>	<u>468,555</u>	<u>40,291</u>	<u>1,909,842</u>
Net book value					
At 31 March 2023	<u>449,272</u>	<u>16,466</u>	<u>155,204</u>	<u>2,100</u>	<u>623,042</u>
At 31 March 2022	<u>646,130</u>	<u>46,554</u>	<u>185,258</u>	<u>3,109</u>	<u>881,051</u>

CLUTTONS LLP

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. Fixed asset investments

LLP

	Investments in subsidiary undertakings £
Cost	
At 1 April 2022	50,316
Additions	15,000
	65,316
At 31 March 2023	65,316
 Net book value	
At 31 March 2023	65,316
<i>At 31 March 2022</i>	50,316

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Principal activity	Investment type	Holding
Cluttons Investment Management (UK) LLP	Provision of investment advice and arranging deals in investments	Designated member	100 %
Cluttons Employees Limited	Provision of management services	Ordinary shares	100 %
Cluttons Residential Limited	Residential sales and lettings	Ordinary shares	100 %
Cluttons Nominees Limited	Dormant	Ordinary shares	100 %

The registered office address of all subsidiaries is Yarnwicke, 119-121 Cannon St, London, WC4N 5AT.

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

16. Debtors

	Group 2023 £	<i>Group</i> <i>2022</i> £	LLP 2023 £	<i>LLP</i> <i>2022</i> £
Trade debtors	5,156,106	4,755,213	4,688,827	3,986,322
Amounts owed by group undertakings	-	-	385,251	614,687
Other debtors	221,112	214,680	130,479	141,545
Prepayments and accrued income	2,517,664	1,606,911	2,304,419	1,472,736
Amounts recoverable on long term contracts	620,787	400,787	620,787	400,787
	<u>8,515,669</u>	<u>6,977,591</u>	<u>8,129,763</u>	<u>6,616,077</u>

The Group trade debtors are stated net of an impairment amount £300,078 (2022: £100,631) and the LLP trade debtors are stated net of an impairment amount of £99,516 (2022: £42,656).

17. Cash and cash equivalents

	Group 2023 £	<i>Group</i> <i>2022</i> £	LLP 2023 £	<i>LLP</i> <i>2022</i> £
Cash at bank and in hand	68,770	511,278	-	451,639
Less: bank overdrafts	(318,606)	-	(318,606)	-
	<u>(249,836)</u>	<u>511,278</u>	<u>(318,606)</u>	<u>451,639</u>

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Bank overdrafts	318,606	-	318,606	-
Bank loans	577,981	101,812	577,981	101,812
Trade creditors	2,343,749	1,975,655	2,318,229	1,955,663
Amounts owed to group undertakings	-	-	990,661	775,974
Corporation tax	57,690	44,500	-	-
Other taxation and social security	1,519,831	1,267,618	741,974	625,903
Other creditors	113,243	119,044	9,742	47,094
Accruals and deferred income	807,390	1,066,437	815,484	1,079,508
	<u>5,738,490</u>	<u>4,575,066</u>	<u>5,772,677</u>	<u>4,585,954</u>

Bank overdrafts are secured by fixed and floating charges over the assets of the Group.

Bank loans are secured by fixed and floating charges over the assets of the Group.

19. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Bank loans	263,014	364,825	263,014	364,825
	<u>263,014</u>	<u>364,825</u>	<u>263,014</u>	<u>364,825</u>

Bank loans are secured by fixed and floating charges over the assets of the Group.

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

20. Loans

	Group 2023 £	<i>Group 2022 £</i>	LLP 2023 £	<i>LLP 2022 £</i>
Amounts falling due within one year				
Bank loans	577,981	<i>101,812</i>	577,981	<i>101,812</i>
Amounts falling due 1-2 years				
Bank loans	101,812	<i>101,812</i>	101,812	<i>101,812</i>
Amounts falling due 2-5 years				
Bank loans	161,202	<i>263,013</i>	161,202	<i>263,013</i>
	<u>840,995</u>	<i><u>466,637</u></i>	<u>840,995</u>	<i><u>466,637</u></i>

Bank loans are secured by fixed and floating charges over the assets of the Group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Provisions**Group**

	Holiday pay provision £	Dilapidations provision £	Professional indemnity provision £	Total £
At 1 April 2022	130,415	258,971	75,000	464,386
Charged to profit or loss	-	81,086	-	81,086
Utilised in year	-	(25,057)	(75,000)	(100,057)
At 31 March 2023	130,415	315,000	-	445,415

LLP

	Dilapidations provision £	Professional indemnity provision £	Total £
At 1 April 2022	258,971	75,000	333,971
Charged to profit or loss	81,086	-	81,086
Utilised in year	(25,057)	(75,000)	(100,057)
At 31 March 2023	315,000	-	315,000

Holiday pay provision

The holiday pay provision is a leave pay provision which represents annual leave balances accrued as a result of services rendered in the current year and which employees are entitled to carry forward. The provision is measured as the salary cost payable for the year of absence.

Dilapidations provision

The dilapidations provision is in respect of costs which would be incurred by the Group to return its leasehold premises' back to their original condition upon termination of the leasehold agreement with the landlord and is a contractual obligation under the terms of the lease.

Professional indemnity provision

Cluttons alongside a partnering supplier agreed to settle a potential long running historic claim. The cost to Cluttons as agreed was £75,000 which was settled in November 2022.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. Loans and other debts due to members

	Group 2023 £	<i>Group 2022 £</i>	LLP 2023 £	<i>LLP 2022 £</i>
Members' capital treated as debt	2,315,008	<i>2,175,008</i>	2,315,008	<i>2,175,008</i>
Other amounts due to members	1,267,430	<i>1,106,510</i>	1,015,569	<i>1,106,513</i>
	<u>3,582,438</u>	<i><u>3,281,518</u></i>	<u>3,330,577</u>	<i><u>3,281,521</u></i>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

23. Reserves

Other reserves

This reserve records all unallocated profits which are available for discretionary division amongst the LLP's members.

24. Contingent liabilities

The LLP has given a guarantee of up to £3.4m (inclusive of the secured creditors as disclosed in notes 18 and 19 above) (2022: £3.1m) supported by a debenture to HSBC bank. This secured guarantee is to cover any shortfall in the repayment of loans made by HSBC to certain members of the LLP for the purpose of funding a portion of their capital contributions. This is a contingent liability of the LLP.

25. Pension commitments

The Group contributes to defined contributions pension schemes on behalf of its employees. The assets of the pension scheme are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £369,796 (2022: £335,675). Contributions totalling £97,973 (2022: £69,685) were payable to the fund at the Balance Sheet date and are included in other creditors.

CLUTTONS LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

26. Commitments under operating leases

At 31 March 2023 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023	<i>Group 2022</i>
	£	£
Not later than 1 year	733,679	<i>1,081,526</i>
Later than 1 year and not later than 5 years	534,496	<i>921,484</i>
Later than 5 years	239,518	<i>372,506</i>
	<u>1,507,693</u>	<i><u>2,375,516</u></i>

27. Post balance sheet events

On 5 December 2023 CIM Newco Limited became the controlling party of Cluttons LLP following its purchase of Paisley Newco Limited. The ultimate controlling party is considered to be funds managed by Treun Capital General Partner Limited by virtue of their shareholding in CIM Newco Limited. Further details of this transaction are included within the members report.

28. Parent undertakings

As at 31 March 2023 the immediate parent undertaking of this entity is Paisley Newco Limited, an entity which has no overall controlling party.

On 5 December 2023 CIM Newco Limited became the controlling party of Cluttons LLP following its purchase of Paisley Newco Limited. The ultimate controlling party is considered to be funds managed by Treun Capital General Partner Limited by virtue of their shareholding in CIM Newco Limited.

The largest group of undertakings for which consolidated financial statements have been prepared as at 31 March 2023 is that headed by Paisley Newco Limited, which has a registered office address of Yarnwicke, 119-121 Cannon Street, London, United Kingdom, EC4N 5AT. Copies of these financial statements can be obtained from the registered office address.

29. Related party transactions

The entity has taken advantage of the disclosure exemptions provided by Section 33.1A of FRS102 to not disclose transactions with subsidiaries that are wholly owned.

The Group incurred consultancy services during the year of £225,286 (2022: £271,086) from a company under the same ultimate controlling party. At the year end, the Group owed an amount of £22,500 (2022: £589) to this company. The Group also incurred taxation services during the year of £87,350 (2022: £62,319) from a company under the same ultimate controlling party. At the year end, the Group owed an amount of £14,715 (2022: £8,718) to this company.

Key management personnel

The members of the management board are considered to be key management personnel. Total remuneration in respect of these individuals totalled £286,206 (2022: £306,388).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

30. Analysis of Net Debt (Group)

	At 1 April 2022	Arising from	Other	At 31 March
	£	cash flows	non-cash	2023
		£	changes	£
			£	
Cash at bank and in hand	511,278	(442,508)	-	68,770
Bank overdrafts	-	(318,606)	-	(318,606)
Borrowings due within 1 year	(101,812)	(476,169)	-	(577,981)
Borrowings due after 1 year	(364,825)	101,811	-	(263,014)
Net debt (before members' debt)	44,641	(1,135,472)	-	(1,090,831)
<i>Loans and other debts due to members</i>				
Members' capital	(2,175,008)	(140,000)	-	(2,315,008)
Other amounts due to members	(1,106,510)	3,712,003	(3,872,923)	(1,267,430)
Net debt	(3,236,877)	2,436,531	(3,872,923)	(4,673,269)

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