

**Limited Liability Partnership registration number SO307055 (Scotland)**

**Lindsays LLP**

**Annual report and financial statements**

**For the year ended 31 March 2024**

## **Lindsays LLP**

### **Limited liability partnership information**

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#### **Designated members**

James Andrew  
David Armstrong  
John Bett  
Ernest Boath  
Gavin Buchan  
Kirsty Cooper  
Jonathan Cornwell  
Alasdair Cummings  
Andrew Diamond  
Ben Doherty  
Caroline Fraser  
Alistair Duncan  
Derek Duncan  
Alison Fitzgerald  
Amanda Frenz  
Richard Frenz  
Jennifer Gallagher  
Alastair Goodman  
Leanne Gordon  
Daniel Gorry  
Kenneth Gray  
Brent Haywood  
Nicholas Howie  
Grant Johnson  
Callum Kennedy  
Lynsey Kerr  
Helen Kidd  
Sandy Lamb  
Susan Law  
Darren Leahy  
Caroline Mackintosh  
Clare McCarroll  
Alison McKee  
Alan McLaren  
Ian Mitchell  
Angela Morrison  
Alison McKay  
Derek Nash  
Nicole Noble  
Louise Norris  
Lauren Pasi  
David Rose  
Vhari Selfridge  
Nina Taylor  
John Thom  
Chris Todd  
David Walker  
Clare Wilson  
David Wood  
Kate Wyatt  
Michael Yellowlees  
Morag Yellowlees

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**Lindsays LLP**

**Limited liability partnership information**

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<b>LLP registration number</b>	SO307055
<b>Registered office</b>	Caledonian Exchange 19A Canning Street Edinburgh EH3 8HE
<b>Auditor</b>	Henderson Loggie LLP The Vision Building 20 Greenmarket Dundee DD1 4QB

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## **Lindsays LLP**

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## **Lindsays LLP**

### **Members' report**

**for the year ended 31 March 2024**

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The members are pleased to present their report and the financial statements for the year ended 31 March 2024.

#### **Principal activities**

The principal activity of the limited liability partnership continued to be that of legal services in Scotland.

#### **Review of the Business**

Turnover for the year was £24,101,026, an increase from the previous year's figure of £20,069,931. The profit for the financial year before members' remuneration also increased from £5,867,676 to £6,585,464, a performance which the members considered to be satisfactory given the challenging economic circumstances during the year.

A principal reason for the significant growth in both turnover and profit was the merger, on 26 May 2023, with Miller Hendry. The partners and staff of Miller Hendry transferred to Lindsays and are now providing their clients with the wider range of legal services available as part of the enlarged firm. This merger has further strengthened Lindsays' proposition in Tayside and has added offices in Perth and Crieff to the firm's existing offices in Edinburgh, Glasgow and Dundee.

The firm's confidence in its potential to grow further was demonstrated during the year when the members agreed to provide an additional £1.75m of working capital to support future growth. In addition, the firm has continued to attract and develop talented lawyers and support staff. These investments in people and working capital underpin the continued delivery of high-quality services to the firm's wide client base giving the members confidence that it is in a good position to improve its performance going forward.

#### **Members drawings, contributions and repayments**

The members' policy on drawings is dependent upon the working capital requirements of the firm. A conservative level of monthly drawings is set at the start of the year and further distributions are made once the results for the year and allocation of profit have been finalised.

The level of members' capital is determined by the members from time to time. Capital is repaid to members on resignation from the firm, subject to the requirements of the members' agreement.

#### **Designated members**

The designated members who held office during the year and up to the date of signature of the financial statements were as follows:

James Andrew	(Appointed 26 May 2023)
David Armstrong	
John Bett	
Ernest Boath	(Appointed 26 May 2023)
Gavin Buchan	
Kirsty Cooper	
Jonathan Cornwell	
Alasdair Cummings	
Andrew Diamond	
Ben Doherty	
Caroline Fraser	
Alistair Duncan	(Appointed 26 May 2023)
Derek Duncan	
Alison Fitzgerald	(Appointed 26 May 2023)
Amanda Frenz	(Appointed 26 May 2023)
Richard Frenz	(Appointed 26 May 2023)
Jennifer Gallagher	
Alastair Goodman	
Leanne Gordon	(Appointed 1 April 2024)

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## **Lindsays LLP**

### **Members' report (continued)**

**for the year ended 31 March 2024**

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Daniel Gorry	(Appointed 1 April 2024)
Kenneth Gray	
Brent Haywood	
Nicholas Howie	(Appointed 11 September 2023)
Grant Johnson	
Callum Kennedy	
Lynsey Kerr	
Helen Kidd	
Sandy Lamb	
Susan Law	
Darren Leahy	
Caroline Mackintosh	(Appointed 31 January 2024)
Clare McCarroll	
Alison McKee	
Alan McLaren	
Ian Mitchell	
Angela Morrison	
Alison McKay	(Appointed 1 April 2023)
Derek Nash	
Nicole Noble	(Appointed 1 April 2024)
Louise Norris	
Lauren Pasi	
David Rose	
Vhari Selfridge	
Nina Taylor	
John Thom	(Appointed 26 May 2023)
Chris Todd	
Peter Tweedie	(Resigned 31 March 2024)
David Walker	(Appointed 1 April 2024)
Clare Wilson	(Appointed 1 April 2024)
David Wood	
Kate Wyatt	
Michael Yellowlees	
Morag Yellowlees	

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the limited liability partnership continues and that the appropriate training is arranged. It is the policy of the limited liability partnership that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Employee involvement**

The limited liability partnership's policy is to consult and discuss with employees, through staff meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the limited liability partnership's performance.

**Lindsays LLP**

**Members' report (continued)**

**for the year ended 31 March 2024**

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**Auditor**

Henderson Loggie LLP were appointed as auditor to the limited liability partnership and in accordance with section 485 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), a resolution proposing that they be re-appointed will be put at a general meeting.

Approved by the members on 13 June 2024 and signed on behalf by:

Alasdair Cummings

**Designated Member**

## **Lindsays LLP**

### **Members' responsibilities statement for the year ended 31 March 2024**

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

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

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

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



## **Lindsays LLP**

### **Independent auditor's report to the members of Lindsays LLP**

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#### **Opinion**

We have audited the financial statements of Lindsays LLP (the 'limited liability partnership') for the year ended 31 March 2024 which comprise the statement of comprehensive income, the balance sheet, the reconciliation of members' interests, the statement of cash flows and notes to the financial statements, including 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 limited liability partnership's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 limited liability partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

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

We have nothing to report in this regard.

## **Lindsays LLP**

### **Independent auditor's report (continued)**

#### **to the members of Lindsays LLP**

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

#### **Responsibilities of members**

As explained more fully in the members' responsibilities statement, 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 limited liability partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the limited liability partnership or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

As part of our planning process:

- We enquired of management the systems and controls the LLP has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. Management informed us that there were no instances of known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the LLP. We determined that the following were most relevant: Law Society of Scotland regulations and Solicitors Accounts Rules; Data Protection Act 2018; employment law (including payroll and pension regulations), and compliance with the UK Companies Act as applied to LLPs;
- We considered the incentives and opportunities that exist in the LLP, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly; and
- Using our knowledge of the LLP, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

## **Lindsays LLP**

### **Independent auditor's report (continued)**

#### **to the members of Lindsays LLP**

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As part of our planning process:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of members;
- Reading correspondence with regulators including the Solicitors Accounts Rules and the Law Society of Scotland regulations to determine the extent of compliance;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular valuation of goodwill and work in progress, the application of accruals including potential claims provisions and dilapidations, and the application of potential bad debt provisions;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- Testing key revenue lines, in particular cut-off, for evidence of management bias; and
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.

Owing to the inherent limitations of an audit, there is unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the audit is to detect non-compliance. This risk is also available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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

**Gavin Black**

**Senior Statutory Auditor**

**For and on behalf of Henderson Loggie LLP**

13 June 2024

**Chartered Accountants**

**Statutory Auditor**

The Vision Building  
20 Greenmarket  
Dundee  
DD1 4QB

**Lindsays LLP****Statement of comprehensive income  
for the year ended 31 March 2024**

	Notes	2024 £	2023 £
<b>Turnover</b>	<b>3</b>	<b>24,101,026</b>	20,069,931
Administrative expenses		<b>(18,509,377)</b>	(14,585,271)
Other operating income		<b>293,674</b>	284,890
<b>Operating profit</b>	<b>4</b>	<b>5,885,323</b>	5,769,550
Interest receivable and similar income	<b>7</b>	<b>868,700</b>	164,497
Interest payable and similar expenses	<b>8</b>	<b>(168,559)</b>	(66,371)
<b>Profit for the financial year before members' remuneration and profit shares</b>		<b>6,585,464</b>	5,867,676
Members' remuneration charged as an expense	<b>6</b>	<b>(6,585,464)</b>	(5,867,676)
<b>Result for the financial year available for discretionary division among members</b>		<b>-</b>	-

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**Lindsays LLP****Balance sheet****as at 31 March 2024**

		2024		2023	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	9	222,508		-	
Other intangible assets	9	534,755		572,124	
Total intangible assets		757,263		572,124	
Tangible assets	10	575,036		609,014	
Investments	11	8,749		8,749	
		1,341,048		1,189,887	
<b>Current assets</b>					
Debtors	12	15,033,483	11,712,096		
Cash at bank and in hand		1,505,445	948,265		
		16,538,928	12,660,361		
<b>Creditors: amounts falling due within one year</b>	13	(5,599,954)	(5,163,179)		
<b>Net current assets</b>		10,938,974		7,497,182	
<b>Total assets less current liabilities</b>		12,280,022		8,687,069	
<b>Creditors: amounts falling due after more than one year</b>	14	(521,667)		(333,333)	
<b>Provisions for liabilities</b>					
Provisions	16	(588,175)		(424,882)	
<b>Net assets attributable to members</b>		11,170,180		7,928,854	
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Members' capital classified as a liability		6,125,000	3,625,000		
Other amounts		5,045,180	4,303,854		
		11,170,180	7,928,854		

The financial statements were approved by the members and authorised for issue on 13 June 2024 and are signed on their behalf by:

Alasdair Cummings  
**Designated member**

**Limited Liability Partnership registration number SO307055 (Scotland)**

**Lindsays LLP****Reconciliation of members' interests  
for the year ended 31 March 2024****Current financial year**

	<b>Debt</b>		
	<b>Loans and other debts due to members less any amounts due from members in debtors</b>		
	<b>Members' capital</b>	<b>Other amounts</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Members' interests at 1 April 2023	<b>3,625,000</b>	<b>4,303,854</b>	<b>7,928,854</b>
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	<b>6,585,464</b>	<b>6,585,464</b>
Result for the financial year available for discretionary division among members	-	-	-
Members' interests after loss and remuneration for the year introduced by members	<b>3,625,000</b>	<b>10,889,318</b>	<b>14,514,318</b>
Drawings on account and distributions of profit	<b>2,500,000</b>	-	<b>2,500,000</b>
	-	<b>(5,844,138)</b>	<b>(5,844,138)</b>
Members' interests at 31 March 2024	<b>6,125,000</b>	<b>5,045,180</b>	<b>11,170,180</b>

**Lindsays LLP****Reconciliation of members' interests (continued)  
for the year ended 31 March 2024**

Prior financial year	<b>Debt</b>		
	<b>Loans and other debts due to members less any amounts due from members in debtors</b>		
	<b>Members' capital</b>	<b>Other amounts</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Members' interests at 1 April 2022	4,000,000	4,606,222	8,606,222
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	5,867,676	5,867,676
Result for the financial year available for discretionary division among members	-	-	-
Members' interests after loss and remuneration for the year introduced by members	4,000,000	10,473,898	14,473,898
Repayment of debt (including members' capital classified as a liability)	125,000	-	125,000
Drawings on account and distributions of profit	(500,000)	-	(500,000)
	-	(6,170,044)	(6,170,044)
Members' interests at 31 March 2023	3,625,000	4,303,854	7,928,854

**Lindsays LLP****Statement of cash flows****for the year ended 31 March 2024**

		<b>2024</b>		<b>2023</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>					
Cash generated from operations	<b>21</b>	<b>5,253,509</b>		5,567,343	
Interest paid		<b>(168,559)</b>		(66,371)	
<b>Net cash inflow from operating activities</b>		<b>5,084,950</b>		5,500,972	
<b>Investing activities</b>					
Purchase of intangible assets		<b>(55,685)</b>		(204,597)	
Purchase of tangible fixed assets		<b>(191,275)</b>		(294,647)	
Purchase of unincorporated interests	<b>9</b>	<b>(1,268,496)</b>		-	
Interest received		<b>868,700</b>		164,497	
<b>Net cash used in investing activities</b>		<b>(646,756)</b>		(334,747)	
<b>Financing activities</b>					
Capital introduced by members		<b>2,500,000</b>		125,000	
Repayment of capital or debt to members		-		(500,000)	
Payments to members		<b>(5,844,138)</b>		(6,170,044)	
Proceeds from new bank loans		<b>2,880,730</b>		3,433,427	
Repayment of bank loans		<b>(3,417,606)</b>		(2,620,322)	
<b>Net cash used in financing activities</b>		<b>(3,881,014)</b>		(5,731,939)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>557,180</b>		(565,714)	
Cash and cash equivalents at beginning of year		<b>948,265</b>		1,513,979	
<b>Cash and cash equivalents at end of year</b>		<b>1,505,445</b>		948,265	



**Notes to the financial statements  
for the year ended 31 March 2024**

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**1 Accounting policies**

**Limited liability partnership information**

Lindsays LLP is a limited liability partnership incorporated in Scotland. The registered office is Caledonian Exchange, 19A Canning Street, Edinburgh, EH3 8HE.

The limited liability partnership's principal activities are disclosed in the Members' Report.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting by Limited Liability Partnerships" issued in December 2021, together with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the limited liability partnership. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Going concern**

The firm is funded principally by its members in the form of fixed capital and loans and by the cashflows generated from its trading activities. In addition, the LLP has a committed, undrawn borrowing facility of £1,500,000 with Clydesdale Bank and held £1,505,445 cash at bank and in hand at 31 March 2024.

The firm's performance has proven to be resilient in the past during adverse trading conditions helped by the fact it provides a full range of legal services within diverse market sectors.

Trading and cashflow projections have been prepared for the next twelve months making prudent assumptions on cost inflation. The firm expects to be able to operate within its available financial facilities for the foreseeable future. Accordingly, the members believe it is appropriate to prepare the financial statements on the going concern basis.

**1.3 Turnover**

Turnover represents the amounts recoverable for the services provided to clients, excluding value added tax, under contractual obligations which are performed gradually over time.

Services provided during the year to clients, which at the balance sheet date have not been billed to clients, have been recognised as turnover in accordance with FRS 102 section 23 'Revenue'. Turnover in this manner is based on an assessment of the fair value of services provided at the balance sheet date as a proportion of the total value of the engagement. Provisions are made against unbilled amounts for those engagements where the right to receive payment is contingent on factors outside the control of the firm. 'Amounts to be billed to clients' are included in debtors. Amounts invoiced in advance are included in accruals and deferred income.

**1.4 Members' participating interests**

Members' capital is classified as a financial liability in the balance sheet. Interest payable on members' capital is included in 'Members' remuneration charged as an expense' in the profit and loss account.

Non-discretionary profit allocations are included in 'Members' remuneration charged as an expense' in the profit and loss account, whilst discretionary profit allocations are classified as a division of profits within members interests.

**Notes to the financial statements (continued)**  
**for the year ended 31 March 2024**

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**1 Accounting policies (continued)**

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

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

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment. Amounts payable to members under employment contracts and unavoidable interest on members capital are charged to "members remuneration charged as an expense" in the relevant year.

Remuneration paid to members under a contract to provide services to the LLP is classified as operating cash flows. Any drawings on account or distribution of profits are classified as financing cash flows.

**1.5 Intangible fixed assets - goodwill**

Goodwill represents the excess of the cost of acquisition of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

**1.6 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Practice management software	Over 10 years
Practice IT infrastructure	Over 5 years

**1.7 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

**Notes to the financial statements (continued)**  
**for the year ended 31 March 2024**

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**1 Accounting policies (continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the shorter of lease term or expected useful
Fixtures and fittings	<del>Over</del> 3 to 5 years
Computers	Over 3 to 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

**1.8 Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

**1.9 Impairment of fixed assets**

At each reporting period end date, the limited liability partnership reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the limited liability partnership estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

**1.10 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.11 Financial instruments**

The limited liability partnership has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the limited liability partnership's statement of financial position when the limited liability partnership becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Notes to the financial statements (continued)**  
**for the year ended 31 March 2024**

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**1 Accounting policies (continued)**

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

**Derecognition of financial assets**

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

**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the limited liability partnership after deducting all of its liabilities.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Derecognition of financial liabilities**

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

**1.12 Taxation**

The taxation payable on the profits of the firm is the personal liability of the members. Accordingly, no tax charge is included in the profit and loss account and all payments are charged against members' funds. A retention from profits is held on account for individual members to fund the payment of taxation on behalf of the members. This retention is reflected in loans and other debts due to members and payments are charged against this retention.

**Notes to the financial statements (continued)**  
**for the year ended 31 March 2024**

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**1 Accounting policies (continued)**

**1.13 Provisions**

Provisions are recognised when the limited liability partnership has a legal or constructive present obligation as a result of a past event, it is probable that the limited liability partnership will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

**1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the limited liability partnership is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.15 Retirement benefits and post retirement payments to members**

The partnership operates a defined contribution pension scheme, with the amount charged to the profit and loss account in respect of pension costs being the contributions payable in the year. Differences between contributions payable in the year and contributions paid are shown in either accruals or prepayments on the balance sheet.

**1.16 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

**1.17 Professional indemnity insurance and claims**

The partnership maintains substantial cover through the insurance market. Provision is made on a case-by-case basis for the estimated costs of defending claims or the uninsured excess of such claims if greater, where it is probable that costs will be incurred.

**2 Judgements and key sources of estimation uncertainty**

In the application of the limited liability partnership's accounting policies, the members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Notes to the financial statements (continued)**  
**for the year ended 31 March 2024**

**2 Judgements and key sources of estimation uncertainty (continued)**

**Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

**Goodwill**

Goodwill is amortised over a period to reflect its estimated useful life. The applicability of the assumed life is reviewed annually, taking into account factors such as client and employee retention. Goodwill is assessed as to whether there are indicators of impairment.

**Work in progress (Amounts due to be billed to clients)**

As part of the year end process management are required to assess the ongoing performance of work in progress. This assessment results in the recognition of income and provisions against ongoing recovery depending on the degree of completion and the likelihood of a fee being raised. These judgements are made using the management's experience as well as a detailed working knowledge of the work being provided to clients.

**Trade debt recovery**

Credit control is an important function which requires assessment, on an ongoing basis, of the recoverability of amounts due from trade debtors. Where recovery is in doubt, management will adequately provide against this specific debt and will arrive at such conclusions based on the knowledge of the debtor. Management adopt a prudent approach to credit control.

**Accruals**

Management estimate the requirements for accruals using post year end information and information available from detailed budgets. This includes provisions for dilapidations and claims. This identifies costs and income that are expected to be incurred or received for services provided by and to other parties. This includes the estimation of potential claims provisions which are based upon post year end information and management knowledge of the current status of live claims. Accruals are only released when there is a reasonable expectation that these costs will not be invoiced in the future.

**3 Turnover**

Turnover represents fee income earned from the provision of legal services in the United Kingdom and is stated net of value added tax

	<b>2024</b>	2023
	<b>£</b>	£
<b>Turnover analysed by class of business</b>		
Rendering of fees for legal services	<b>24,101,026</b>	20,069,931
	<b>=====</b>	<b>=====</b>
	<b>2024</b>	2023
	<b>£</b>	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	<b>24,101,026</b>	20,069,931
	<b>=====</b>	<b>=====</b>

**Lindsays LLP****Notes to the financial statements (continued)  
for the year ended 31 March 2024****3 Turnover (continued)**

	<b>2024</b>	2023
	<b>£</b>	£
<b>Other significant revenue</b>		
Interest income	<b>868,700</b>	164,497

**4 Operating profit**

	<b>2024</b>	2023
	<b>£</b>	£
Operating profit for the year is stated after charging:		
Exchange losses	<b>2,836</b>	-
Fees payable to the LLP's auditor for the audit of the LLP's financial statements	<b>21,420</b>	20,400
Depreciation of owned tangible fixed assets	<b>253,435</b>	215,284
Loss on disposal of tangible fixed assets	<b>7,561</b>	-
Amortisation of intangible assets	<b>137,556</b>	48,874
Operating lease charges	<b>843,825</b>	719,953

**5 Employees**

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

	<b>2024</b>	2023
	<b>Number</b>	Number
Fee earners	<b>140</b>	114
Non-fee earners	<b>144</b>	121
Total	<b>284</b>	235

Their aggregate remuneration comprised:

	<b>2024</b>	2023
	<b>£</b>	£
Wages and salaries	<b>9,706,780</b>	7,870,942
Social security costs	<b>977,098</b>	826,230
Pension costs	<b>466,886</b>	365,706
	<b>11,150,764</b>	9,062,878

**Lindsays LLP****Notes to the financial statements (continued)  
for the year ended 31 March 2024****6 Members' remuneration**

	<b>2024 Number</b>	2023 Number
Average number of members during the year	<b>46</b>	40
	<b>2024 £</b>	2023 £
Profit attributable to the member with the highest entitlement	<b>236,734</b>	234,510

**7 Interest receivable and similar income**

	<b>2024 £</b>	2023 £
<b>Interest income</b>		
Interest on bank deposits	<b>868,700</b>	164,497
	<b>2024 £</b>	2023 £
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<b>868,700</b>	164,497

**8 Interest payable and similar expenses**

	<b>2024 £</b>	2023 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	<b>168,559</b>	66,371



**Lindsays LLP****Notes to the financial statements (continued)  
for the year ended 31 March 2024****9 Intangible fixed assets**

	<b>Goodwill</b>	<b>Practice management software</b>	<b>Practice IT infrastructure</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 April 2023	-	419,098	232,897	651,995
Additions	267,010	53,345	2,340	322,695
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2024	267,010	472,443	235,237	974,690
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Amortisation and impairment</b>				
At 1 April 2023	-	72,786	7,085	79,871
Amortisation charged for the year	44,502	46,085	46,969	137,556
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2024	44,502	118,871	54,054	217,427
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Carrying amount</b>				
At 31 March 2024	222,508	353,572	181,183	757,263
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 March 2023	-	346,312	225,812	572,124
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

On 26 May 2023, Lindsays merged with Miller Hendry. As part of the merger, consideration was paid amounting to £1,268,496 relating to £100,000 of goodwill, £216,465 of debtors, £749,278 of work in progress, and £202,753 of tangible assets. On review of the fixed assets acquired an adjustment was made to reduce their fair value by £167,010 and reflect this as additional goodwill. The useful life of the goodwill acquired is described in note 1.5.

**Lindsays LLP**

**Notes to the financial statements (continued)**  
**for the year ended 31 March 2024**

**10 Tangible fixed assets**

	Leasehold improvement £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 April 2023	1,352,655	591,491	1,124,926	3,069,072
Additions	46,405	49,954	130,659	227,018
Disposals	(38,653)	(27,781)	(6,383)	(72,817)
At 31 March 2024	1,360,407	613,664	1,249,202	3,223,273
<b>Depreciation and impairment</b>				
At 1 April 2023	1,078,473	514,985	866,600	2,460,058
Depreciation charged in the year	80,734	38,733	133,968	253,435
Eliminated in respect of disposals	(34,026)	(25,518)	(5,712)	(65,256)
At 31 March 2024	1,125,181	528,200	994,856	2,648,237
<b>Carrying amount</b>				
At 31 March 2024	235,226	85,464	254,346	575,036
At 31 March 2023	274,182	76,506	258,326	609,014

**11 Fixed asset investments**

	2024 £	2023 £
Unlisted investments	8,749	8,749

**Fixed asset investments not carried at market value**

The firm owns one Ordinary A class share in Tayside Solicitors Property Centre Holdings Limited, a company registered in Scotland. The investment is held at cost.

**12 Debtors**

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Trade debtors	6,700,459	4,566,229
Amounts to be billed to clients	6,607,664	6,013,587
Other debtors	16,254	19,431
Prepayments and accrued income	1,709,106	1,112,849
	15,033,483	11,712,096

**Lindsays LLP****Notes to the financial statements (continued)  
for the year ended 31 March 2024****13 Creditors: amounts falling due within one year**

	Notes	2024 £	2023 £
Bank loans	15	1,174,449	1,899,659
Trade creditors		895,047	663,647
Other taxation and social security		1,161,485	949,283
Other creditors		525,000	250,000
Accruals and deferred income		1,843,973	1,400,590
		<u>5,599,954</u>	<u>5,163,179</u>

**14 Creditors: amounts falling due after more than one year**

	Notes	2024 £	2023 £
Bank loans	15	521,667	333,333
		<u>521,667</u>	<u>333,333</u>

**15 Loans and overdrafts**

	2024 £	2023 £
Bank loans	1,696,116	2,232,992
	<u>1,696,116</u>	<u>2,232,992</u>
Payable within one year	1,174,449	1,899,659
Payable after one year	521,667	333,333
	<u>1,696,116</u>	<u>2,232,992</u>

The loans are secured by a floating charge.

The LLP has six active bank loans at the year end as detailed below:

The first loan of £325,000 is repaid quarterly until April 2025 and attracts interest at 3% over the Bank of England base rate.

The second loan of £526,107 is repaid monthly, expires in August 2024 and attracts interest at 2.5% over the Bank of England base rate.

The third loan of £335,120 is repaid monthly, expires in October 2024 and attracts interest at 4.2%.

The fourth loan of £219,811 is repaid monthly, expires in October 2024 and attracts interest at 3.7%.

The fifth loan of £500,000 is repaid monthly, expires in June 2025 and attracts interest at 2.5% over the Bank of England base rate.

The sixth loan of £700,000, is repaid quarterly, expires in May 2028 and attracts interest at 3% over the Bank of England base rate.

**Lindsays LLP****Notes to the financial statements (continued)  
for the year ended 31 March 2024****16 Provisions for liabilities**

	<b>2024</b>	2023
	<b>£</b>	£
Office dilapidations	<b>588,175</b>	424,882
	<u>          </u>	<u>          </u>
Movements on provisions:		
		<b>Office</b>
		<b>dilapidation</b>
		<b>£</b>
At 1 April 2023		<b>424,882</b>
Additional provisions in the year		<b>163,293</b>
		<u>          </u>
At 31 March 2024		<b>588,175</b>
		<u>          </u>

**17 Retirement benefit schemes**

	<b>2024</b>	2023
	<b>£</b>	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<b>466,886</b>	365,706
	<u>          </u>	<u>          </u>

The limited liability partnership operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the limited liability partnership in an independently administered fund.

**18 Financial commitments, guarantees and contingent liabilities**

In the normal course of business, Lindsays LLP may receive claims for alleged negligence. Substantial insurance cover is carried in respect of professional negligence, and cover is written through the commercial market. Where appropriate, provision is made for the costs arising from such claims. Taking account of expected insurance recoveries, claims notified are not expected to give rise to any material unprovided liability.

**19 Operating lease commitments****Lessee**

At the reporting end date the limited liability partnership had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2024</b>	2023
	<b>£</b>	£
Within one year	<b>864,315</b>	595,152
Between two and five years	<b>3,362,370</b>	2,691,716
In over five years	<b>1,930,169</b>	2,549,488
	<u>          </u>	<u>          </u>
	<b>6,156,854</b>	5,836,356
	<u>          </u>	<u>          </u>

**Lindsays LLP****Notes to the financial statements (continued)  
for the year ended 31 March 2024****20 Related party transactions****Remuneration of key management personnel**

The total remuneration of the members of the LLP and the management team, who are considered to be the key management personnel of the LLP was £1,301,735.

<b>21 Cash generated from operations</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Profit for the year	<b>6,585,464</b>	5,867,676
<b>Adjustments for:</b>		
Finance costs recognised in profit or loss	<b>168,559</b>	66,371
Investment income recognised in profit or loss	<b>(868,700)</b>	(164,497)
Loss on disposal of tangible fixed assets	<b>7,561</b>	-
Amortisation and impairment of intangible assets	<b>137,556</b>	48,874
Depreciation and impairment of tangible fixed assets	<b>253,435</b>	215,284
Increase in provisions	<b>163,293</b>	33,293
<b>Movements in working capital:</b>		
Increase in debtors	<b>(2,355,644)</b>	(1,152,138)
Increase in creditors	<b>1,161,985</b>	652,480
<b>Cash generated from operations</b>	<b>5,253,509</b>	5,567,343

**22 Analysis of changes in net debt**

	<b>1 April 2023</b>	<b>Cash flows</b>	<b>31 March 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<b>948,265</b>	<b>557,180</b>	<b>1,505,445</b>
Borrowings excluding overdrafts	<b>(2,232,992)</b>	<b>536,876</b>	<b>(1,696,116)</b>
Balances before members' debt	<b>(1,284,727)</b>	<b>1,094,056</b>	<b>(190,671)</b>
Loans and other debts due to members:			
- Members' capital	<b>(3,625,000)</b>	<b>(2,500,000)</b>	<b>(6,125,000)</b>
- Other amounts due to members	<b>(4,303,854)</b>	<b>(741,326)</b>	<b>(5,045,180)</b>
Balances including members' debt	<b>(9,213,581)</b>	<b>(2,147,270)</b>	<b>(11,360,851)</b>

