

Limited Liability Partnership registration number OC332941 (England and Wales)

WSM PARTNERS LLP

Annual report and unaudited financial statements

For the year ended 30 June 2023

Pages for filing with registrar

WSM PARTNERS LLP

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WSM PARTNERS LLP

STATEMENT OF FINANCIAL POSITION

As at 30 June 2023

		2023		2022	
	Notes	£	£	£	£
Non-current assets					
Intangible assets	4		-		3,255
Property, plant and equipment	5		-		47
Investments	6		38,575		4,190
			<u>38,575</u>		<u>7,492</u>
Current assets					
Trade and other receivables	7	1,576,713		1,257,472	
Cash and cash equivalents		220,833		179,217	
		<u>1,797,546</u>		<u>1,436,689</u>	
Current liabilities	8	(631,213)		(861,075)	
Net current assets			<u>1,166,333</u>		<u>575,614</u>
Total assets less current liabilities			<u>1,204,908</u>		<u>583,106</u>
Non-current liabilities	9		(192,627)		(78,640)
Net assets attributable to members			<u>1,012,281</u>		<u>504,466</u>
Represented by:					
Loans and other debts due to members within one year					
Amounts due in respect of profits	12		-		197,115
Members' other interests					
Members' capital classified as equity	12		(1,076,584)		100
Other reserves classified as equity			2,088,865		307,251
			<u>1,012,281</u>		<u>504,466</u>
Total members' interests	12				
Amounts due from members			(806,057)		(759,812)
Loans and other debts due to members			-		197,115
Members' other interests			1,012,281		307,351
			<u>206,224</u>		<u>(255,346)</u>

The members of the limited liability partnership have elected not to include a copy of the income statement within the financial statements.

WSM PARTNERS LLP

STATEMENT OF FINANCIAL POSITION (CONTINUED)

As at 30 June 2023

For the financial year ended 30 June 2023 the limited liability partnership was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small limited liability partnerships.

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to limited liability partnerships) with respect to accounting records and the preparation of accounts.

These financial statements have been prepared and delivered in accordance with the provisions applicable to limited liability partnerships subject to the small limited liability partnerships regime.

The financial statements were approved by the members and authorised for issue on 25 March 2024 and are signed on their behalf by:

Mr S C C Marsh
Designated member

Limited Liability Partnership registration number OC332941 (England and Wales)

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2023

1 Accounting policies

Limited liability partnership information

WSM Partners LLP is a limited liability partnership incorporated in England and Wales. The registered office is Connect House, 133-137 Alexandra Road, London, SW19 7JY.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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.

The limited liability partnership has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the limited liability partnership as an individual entity and not about its group.

1.2 Revenue

Turnover includes the total amounts of income receivable, net of value added tax, in respect of services provided to clients during the period. Income is recognised when the limited liability partnership has performed services in accordance with the agreement with the relevant client and has obtained a right to consideration for those services. Where such income has not been billed at the balance sheet date, it is included in debtors as unbilled amounts for client work.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Members' participating interests

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with section 22 of FRS 102. A member's participation rights including amounts subscribed or otherwise contributed by members, for example members' capital, are classed as liabilities unless the LLP has an unconditional right to refuse payment to members, in which case they are classified as equity.

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.

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

1 Accounting policies

(Continued)

Once an unavoidable obligation has been created in favour of members through allocation of profits or other means, any undrawn profits remaining at the reporting date are shown as 'Loans and other debts due to members' to the extent they exceed debts due from a specific member.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated 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 10 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.

1.5 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Fixtures, fittings and equipment	20% on a straight line basis
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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 income statement.

1.6 Non-current 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.

A subsidiary is an entity controlled by the limited liability partnership. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of non-current 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.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

1 Accounting policies

(Continued)

1.9 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

Basic financial assets, which include trade and other receivables 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

1 Accounting policies

(Continued)

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 trade and other payables, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Derecognition of financial liabilities

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

1.10 Equity instruments

Equity instruments issued by the limited liability partnership are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the limited liability partnership.

1.11 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 non-current assets.

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.

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

3 Employees

The average number of persons (excluding members) employed by the partnership during the year was 48 (2022 - 45).

	2023 Number	2022 Number
Total	48	45

4 Intangible fixed assets

	Goodwill £
Cost	
At 1 July 2022 and 30 June 2023	331,805
Amortisation and impairment	
At 1 July 2022	328,550
Amortisation charged for the year	3,255
At 30 June 2023	331,805
Carrying amount	
At 30 June 2023	-
At 30 June 2022	3,255

5 Property, plant and equipment

	Plant and machinery etc £
Cost	
At 1 July 2022 and 30 June 2023	7,644
Depreciation and impairment	
At 1 July 2022	7,597
Depreciation charged in the year	47
At 30 June 2023	7,644
Carrying amount	
At 30 June 2023	-
At 30 June 2022	47

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

6 Fixed asset investments

	2023	2022
	£	£
Investments	38,575	4,190
	<u>38,575</u>	<u>4,190</u>

Movements in non-current investments

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 July 2022	100	4,090	4,190
Additions	475	38,000	38,475
Valuation changes	-	(4,090)	(4,090)
	<u>575</u>	<u>38,000</u>	<u>38,575</u>
Carrying amount			
At 30 June 2023	<u>575</u>	<u>38,000</u>	<u>38,575</u>
	<u>100</u>	<u>4,090</u>	<u>4,190</u>
At 30 June 2022	<u>100</u>	<u>4,090</u>	<u>4,190</u>

7 Trade and other receivables

	2023	2022
	£	£
Amounts falling due within one year:		
Trade receivables	111,509	143,229
Amounts owed by group undertakings and undertakings in which the LLP has a participating interest	172,137	16,913
Amounts owed by members	806,057	759,812
Other receivables	487,010	337,518
	<u>1,576,713</u>	<u>1,257,472</u>
	<u>1,576,713</u>	<u>1,257,472</u>

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

8	Current liabilities	2023	2022
		£	£
	Trade payables	12,442	1,027
	Amounts owed to group undertakings	-	71,347
	Taxation and social security	207,413	163,956
	Other payables	411,358	624,745
		<u>631,213</u>	<u>861,075</u>
9	Non-current liabilities	2023	2022
		£	£
	Other payables	192,627	78,640
		<u>192,627</u>	<u>78,640</u>
10	Deferred income	2023	2022
		£	£
	Other deferred income	-	450,000
		<u>-</u>	<u>450,000</u>
11	Loans and other debts due to members		

In the event of a winding up the amounts included in "Loans and other debts due to members" will rank equally with unsecured creditors.

WSM PARTNERS LLP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 30 June 2023

12 Reconciliation of Members' Interests

	EQUITY		DEBT		MEMBERS' INTERESTS	TOTAL MEMBERS' INTERESTS
	Members' other interests	Other reserves	Loans and other debts due to members less any amounts due from members in debtors	Total		
Members' capital (classified as equity)	Members' capital (classified as equity)	Members' capital (classified as equity)	Members' capital (classified as equity)	Members' capital (classified as equity)	Members' capital (classified as equity)	Members' capital (classified as equity)
Amounts due to members				197,115		
Amounts due from members				(759,812)		
Members' interests at 1 July 2022	100	307,251	307,351	(562,697)	(255,346)	
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	405,000	405,000	405,000
Profit for the financial year available for discretionary division among members	-	2,088,865	2,088,865	-	2,088,865	
Members' interests after profit and remuneration for the year	100	2,396,116	2,396,216	(157,697)	2,238,519	
Other divisions of profits	-	(307,251)	(307,251)	307,251	307,251	-
Repayments of capital	(1,076,684)	-	(1,076,684)	-	(955,611)	(1,076,684)
Drawings	-	-	-	(955,611)	(955,611)	(955,611)
Members' interests at 30 June 2023	(1,076,584)	2,088,865	1,012,281	(806,057)	(806,057)	206,224
Amounts due from members, included in debtors				(806,057)		
				(806,057)		
				(806,057)		

Amounts due to members represents amounts owed in respect of undrawn profits.

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