

Registered number: OC333653

Pinsent Masons LLP

Annual Report and Financial Statements

For the year ended 30 April 2022



Pinsent Masons LLP

Annual Report and Financial Statements For the year ended 30 April 2022

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Pinsent Masons LLP

Annual Report and Financial Statements For the year ended 30 April 2022

Officers and Professional Advisors

Registered number

OC333653

Designated members

John Cleland
Richard Foley

Registered office

30 Crown Place
London
United Kingdom
EC2A 4ES

Bankers

Barclays Bank plc
1 Churchill Place
London
United Kingdom
E14 5HP

Royal Bank of Scotland plc
280 Bishopsgate
London
United Kingdom
EC2M 4RB

HSBC Bank PLC
60 Queen Victoria Street
London
United Kingdom
EC4N 4TR

Lloyds Bank PLC
25 Gresham Street
London
United Kingdom
EC2V 7HN

Auditor

Deloitte LLP
Statutory Auditor
London

Pinsent Masons LLP

Annual Report and Financial Statements For the year ended 30 April 2022

Members' Report

The members present their annual report on the affairs of Pinsent Masons LLP ("the LLP"), together with the financial statements and auditor's report, for the year ended 30 April 2022.

Firm Structure

Pinsent Masons LLP is a Limited Liability Partnership registered in England and Wales with registered number OC333653. A list of members and non-members who are designated as partners is available for inspection at 30 Crown Place, London, United Kingdom, EC2A 4ES, which is also the LLP's principal place of business and registered office.

The LLP has branches, as defined in Section 1046(3) of the Companies Act 2006, outside the UK in the Falklands, the United Arab Emirates, Qatar, Singapore and People's Republic of China.

On 30 April 2022 the business of the Falklands Islands branch (an immaterial component within Pinsent Masons LLP) was sold to a local third party firm.

The subsidiary undertakings of the LLP are set out in the Appendix to the notes to the financial statements.

Principal Activity

The LLP's principal activity is the provision of legal services. All results derive from continuing activities.

Review of the Business and Future Developments

The LLP's business plan is to continue to invest and grow in its existing locations and key sectors while retaining appropriate profitability, supporting the LLP's strategy to be the market leading law firm in its chosen markets and core sectors.

Impact of Covid-19 and Going Concern

The LLP is the largest trading subsidiary within the Pinsent Masons International LLP Group (the 'Group'). The Group going concern assessment therefore relies significantly on the assessment of the LLP's trading prospects, which form the basis of the below going concern review for the LLP.

During the preceding year, the LLP had taken firm action to manage the impact of the Covid-19 pandemic. At 30 April 2021 the LLP was in a position to have repaid government furlough monies where possible and committed to reimburse any voluntary staff salary reductions. Staff bonus pools had also been increased significantly to give financial recognition to our people for their efforts during the crisis.

During FY22 the firm continued to be cautiously optimistic in its approach. Revenue budgets included contingencies should business performance not match forecast levels, and investment spend remained closely monitored. This enabled the LLP to mitigate the impact of the Omicron variant of the Covid-19 virus, as well as macroeconomic pressures arising from the ongoing Ukraine crisis.

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the members have considered the business activities as set out in the Members' Report, and the critical accounting judgements and estimates as set out in Note 2.

The LLP has access to a £35m revolving credit facility with its main bankers. As at 31 July 2022 and during the year, all financial covenant tests on the facility were met with significant headroom. The latest cash flow forecast suggests the firm will continue to meet future covenant tests comfortably. As a result, the Board believes that the LLP is well placed to manage its financing and other significant risks satisfactorily and that the LLP will be able to operate within the level of its facilities for the foreseeable future. For this reason, the Board considers it appropriate for the LLP to adopt the going concern basis in preparing its financial statements.

Pinsent Masons LLP

Annual Report and Financial Statements For the year ended 30 April 2022

Members' Report (continued)

Streamlined Energy and Carbon Report (SECR)

In line with the Companies Act 2006 (2013 Regulations) and the recently introduced Streamlined Energy and Carbon Report (SECR) requirement, the Pinsent Masons Group is disclosing its annual Greenhouse Gas (GHG) emissions in the *Group Annual Report for the year ended 30 April 2022*. We are required to report the emissions of carbon dioxide equivalence (CO₂e), a CO₂e intensity value, and the consumption of supplied electricity in the UK. The methodologies and processes used to calculate these emissions are also disclosed.

Designated Members

The designated members who served during the year and up to the date of approval of these financial statements were as follows:

John Cleland
Richard Foley

Members' Drawings and Capital Policy

The policy on members' drawings is dependent upon the working capital requirements of the LLP. A conservative level of monthly drawings is set at the start of the year and further distributions are made once the profit for the year can be estimated.

The level of members' capital is determined by the members from time to time. Capital is repaid to members following cessation of membership of the LLP.

Disabled Employees and Diversity

Without the support and commitment of its people the LLP would not be the successful, growing business that it is today. That is why the LLP works hard to sustain an inclusive culture for its staff and attain a diverse workforce that is fully representative of all of the communities in which its employees live and work.

Climate change

Action on climate change is at the core of our purpose-led business strategy. We take our environmental responsibilities very seriously in all areas of our business: from our own operations, through our supply chain and when working with our clients.

In May 2022 the firm became one of the first organisations to have our net-zero target validated by the Science Based Targets initiative. This commits Pinsent Masons to achieving net-zero greenhouse gas emissions across our value chain by 2040 and is consistent with limiting global temperature rise to 1.5°C. Our target takes into account our view of the projected pace of change in society, industry, our supply chain and other carbon reduction technologies. We believe it is reasonable to expect that our hard to abate areas will be able to transition within that timescale, therefore we consider the target strikes a balance between ambition and realism. It should be noted that 2040 is a backstop and we will be more ambitious where that's possible. We intend to keep our target and our progress towards it under regular review.

We are also supporting our clients to address and deal with the effects of climate change and promote sustainability in their own businesses and activity. The firm has a Climate and Sustainability Group led by a senior partner (the Head of Climate and Sustainability) who reports directly to the Board Chair and is responsible for changing and developing services that respond to ESG issues, the firm's ESG learning and development programme and advising the Board on its net-zero goals and climate and sustainability matters more generally. The Head of Climate and Sustainability convenes three Climate and Sustainability Groupings, one focussed on the Climate and Sustainability Group's own operations, one consisting of senior representatives from across the firms' practice and sector groups which helps

Pinsent Masons LLP

Annual Report and Financial Statements For the year ended 30 April 2022

Members' Report (continued)

provide strategic insight and considers climate-related opportunities and one open to all staff with an interest in climate and sustainability matters.

In responding to client opportunities we have not sought to create a single team of ESGs specialists but instead aimed to create a firm of climate and sustainability conscious colleagues who understand the relevance of climate and sustainability issues to the matters they are advising on. During the year we partnered with the University of Oxford's Smith School of Enterprise and the Environment to deliver a 'Climate and Sustainability Accelerator Programme' to everyone across our Firm. The programme delivered a series of 12 webinars over four months, hosted live, with university academics joining as presenters, and recorded to allow the sessions to be watched afterwards.

Employee Consultation

The LLP places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the LLP. This is achieved through formal and informal meetings and regular staff surveys.

Charitable and Political Donations

During the year the LLP made charitable donations of £55,000 (2021: £40,000) to a number of chosen independent charities.

The LLP made no donations to political parties during the year (2021: nil).

Modern Slavery Act 2015

The LLP has a zero tolerance policy towards modern slavery and human trafficking and is committed to ensuring that there is no modern slavery or human trafficking in the supply chains or in any part of the business.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint Deloitte LLP as the LLP's auditor will be proposed at the next Board meeting.

Post balance sheet events

On 14 June 2022, Pinsent Masons Luxembourg LLP, a 100% subsidiary of the LLP, was incorporated. The results of this new entity will be included in the LLP's results for the period ending 30 April 2023.

Approved by the Board and signed on its behalf by:



John Cleland
Managing Partner and Designated Member
29 September 2022

Pinsent Masons LLP

Annual Report and Financial Statements For the year ended 30 April 2022

Members' Responsibilities Statement

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

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law as applied to Limited Liability Partnerships, 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 year. 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 LLP will continue in business.

The members are responsible for keeping adequate accounting records that 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 applicable to Limited Liability Partnerships, and in accordance with the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnership (issued January 2017). 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.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

Pinsent Masons LLP

Independent Auditor's Report to the Members of Pinsent Masons LLP For the year ended 30 April 2022

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Pinsent Masons LLP (the 'LLP'):

- give a true and fair view of the state of the LLP's affairs as at 30 April 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in members' interests; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 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.

Pinsent Masons LLP

Independent Auditor's Report to the Members of Pinsent Masons LLP For the year ended 30 April 2022 (continued)

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.

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 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 LLP 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the LLP's industry and its control environment, and reviewed the LLP's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the LLP operates in, and identified the key laws and regulations that:

Pinsent Masons LLP

Independent Auditor's Report to the Members of Pinsent Masons LLP For the year ended 30 April 2022 (continued)

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the LLP's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud the following areas, and our specific procedures performed to address them are described below:

- Revenue recognition which was pinpointed to the valuation of unbilled time (amounts recoverable on contracts, being work in progress or "WIP") and the application of appropriate recovery rates. In response to this, we have:
 - gained an understanding of and performed design and implementation testing over management review controls over the WIP valuation;
 - tested a sample of matters with WIP at 30 April 2022 by inspecting subsequent bills raised since year end and performing further enquiries with the group revenue controllers and matter partners to assess the status of the project and recoverability of any remaining WIP;
 - calculated an average recovery rate in the sampled matters and benchmarked these against the recovery rates applied by management; and
 - assessed all unbilled time as at 30 April 2022 and assessed the recoverability of this unbilled time and any amounts written off, up to and including the date of signing the audit report.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Pinsent Masons LLP

Independent Auditor's Report to the Members of Pinsent Masons LLP For the year ended 30 April 2022 (continued)

We have nothing to report in respect of these matters.

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 to limited liability partnerships. 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.



Peter Saunders (Senior statutory auditor)
For and behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
30 September 2022

Pinsent Masons LLP

Profit and Loss Account For the year ended 30 April 2022

| | Note | 2022 £'000 | 2021 £'000 |
|--|------|------------------|------------------|
| Turnover | 3 | 419,392 | 397,517 |
| Other operating income | | 2,772 | 1,845 |
| | | <u>422,164</u> | <u>399,362</u> |
| Operating costs | | | |
| Staff costs | 6 | (178,800) | (175,245) |
| Depreciation and amortisation | | (8,839) | (8,661) |
| Other operating charges | | (98,161) | (86,567) |
| | | <u>(285,799)</u> | <u>(270,473)</u> |
| Operating profit | 4 | 136,364 | 128,889 |
| Income from shares in group undertakings | | 6,926 | 6,842 |
| | | <u>143,290</u> | <u>135,731</u> |
| Profit before interest and taxation | | 143,290 | 135,731 |
| Net interest receivable | 5 | 316 | 202 |
| | | <u>143,606</u> | <u>135,933</u> |
| Profit before taxation and members' remuneration and profit for the financial year available for discretionary division among members | 4, 7 | 143,606 | 135,933 |

Profit for the year is derived from continuing operations.

Pinsent Masons LLP

Statement of Comprehensive Income For the year ended 30 April 2022

| | 2022 £'000 | 2021 £'000 |
|--|-----------------------|-----------------------|
| Profit for the financial period available for discretionary division among members | 143,606 | 135,933 |
| Foreign exchange translation movements | <u>(82)</u> | <u>(381)</u> |
| <i>Other comprehensive expense</i> | <u>(82)</u> | <u>(381)</u> |
| Total comprehensive income available for discretionary division among members | <u><u>143,524</u></u> | <u><u>135,552</u></u> |

Pinsent Masons LLP

Balance Sheet At 30 April 2022

| | Note | 2022 £'000 | 2021 £'000 |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Intangible assets | 8 | 2,967 | 3,108 |
| Tangible assets | 9 | 27,123 | 28,867 |
| Investments in associates | 10 | - | - |
| | | <u>30,090</u> | <u>31,975</u> |
| Current assets | | | |
| Amounts due from members | | 19,606 | 35,618 |
| Debtors | 12 | 220,635 | 192,408 |
| Cash at bank and in hand | 11 | 49,643 | 62,842 |
| | | <u>289,884</u> | <u>290,868</u> |
| Creditors: amounts falling due within one year | 13 | <u>(74,667)</u> | <u>(80,329)</u> |
| Net current assets | | <u>215,217</u> | <u>210,539</u> |
| Total assets less current liabilities | | 245,307 | 242,514 |
| Creditors: amounts falling due after more than one year | 14 | (18,684) | (20,386) |
| Provisions for liabilities | 15 | <u>(6,775)</u> | <u>(6,767)</u> |
| Net assets attributable to members | | <u><u>219,848</u></u> | <u><u>215,361</u></u> |
| Represented by: | | | |
| Loans and other debts due to members within one year | | | |
| Members' capital classified as a liability | | 61,457 | 59,165 |
| Other amounts | | 18,147 | 24,046 |
| | | <u>79,604</u> | <u>83,211</u> |
| Equity | | | |
| Members' other interests | | 140,244 | 132,150 |
| | | <u>219,848</u> | <u>215,361</u> |
| Total members' interests | | | |
| Amounts due from members | | (19,606) | (35,618) |
| Loans and other debts due to members | | 79,604 | 83,211 |
| Members' other interests | | 140,244 | 132,150 |
| | | <u>200,242</u> | <u>179,743</u> |

The notes form part of the financial statements.

The financial statements of Pinsent Masons LLP (registered number OC333653) were approved by the board and authorised for issue on 29 September 2022. They were signed on behalf of the members by:


John Cleland
Managing Partner and Designated Member


Charlotte Beckett
Director of Finance

Pinsent Masons LLP

Statement of Changes in Members' Interests As at 30 April 2022

| | Loans and other debts due to members | | Members' other interests classified as equity £'000 | Subtotal £'000 | Amounts due from members £'000 | Total £'000 |
|---|---|---------------------------------------|--|-------------------|---|----------------|
| | Members' capital classified as a liability £'000 | Members' other amounts £'000 | | | | |
| Members' interests at 1 May 2020 | 58,688 | 25,525 | 113,198 | 197,411 | (37,180) | 160,231 |
| Profit for the financial year available for discretionary division among members | - | - | 135,933 | 135,933 | - | 135,933 |
| Members' interests after profit for the year | 58,688 | 25,525 | 249,131 | 333,344 | (37,180) | 296,164 |
| Allocation of profits | - | 79,420 | (116,600) | (37,180) | 37,180 | - |
| Members' capital introduced | 2,838 | - | - | 2,838 | - | 2,838 |
| Members' capital repaid | (2,361) | - | - | (2,361) | - | (2,361) |
| Payments made to and on behalf of members | - | (80,899) | - | (80,899) | (35,618) | (116,517) |
| Foreign exchange movements | - | - | (381) | (381) | - | (381) |
| At 30 April 2021 | 59,165 | 24,046 | 132,150 | 215,361 | (35,618) | 179,743 |
| Profit for the financial year available for discretionary division among members | - | - | 143,606 | 143,606 | - | 143,606 |
| Members' interests after profit for the year | 59,165 | 24,046 | 275,756 | 358,967 | (35,618) | 323,349 |
| Allocation of profits | - | 99,815 | (135,430) | (35,615) | 35,615 | - |
| Members' capital introduced | 6,802 | - | - | 6,802 | - | 6,802 |
| Members' capital repaid | (4,510) | - | - | (4,510) | - | (4,510) |
| Payments made to and on behalf of members | - | (105,714) | - | (105,714) | (19,603) | (125,317) |
| Foreign exchange movements | - | - | (82) | (82) | - | (82) |
| At 30 April 2022 | 61,457 | 18,147 | 140,244 | 219,848 | (19,606) | 200,242 |

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The LLP is incorporated in England and Wales under the Limited Liabilities Act 2000. The address of the registered office is 30 Crown Place, London, United Kingdom EC2A 4ES. The nature of the LLP's operations and its principal activities are set out in the Report to the Members.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (issued December 2018). The LLP has applied the amendments to FRS 102 issued by the FRC in December 2017 and the sixth edition of the SORP with effect from 1 January 2019. The transitional provisions relating to the triennial review amendments have not resulted in any restatements of comparative information by the Partnership.

The functional currency of the LLP is considered to be pounds sterling because that is the currency of the primary economic environment in which the LLP operates.

The financial statements contain information about Pinsent Masons LLP as an individual LLP, and do not contain consolidated financial information as the parent undertaking of a group. As an LLP included in the European Economic Area ('EEA') financial statements of a larger group, under Section 400 of the Companies Act 2006, the LLP is exempt from the requirement to prepare group financial statement as it is itself a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA state.

The LLP meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate LLP financial statements in relation to share-based payments, financial instruments, related parties, presentation of a cash flow statement and remuneration of key management personnel.

The LLP is consolidated in the financial statements of its parent, Pinsent Masons International LLP, which may be obtained from the address given in note 19.

Going concern

The LLP is the largest trading subsidiary within the Pinsent Masons International LLP Group (the 'Group'). The Group going concern assessment therefore relies significantly on the assessment of the LLP's trading prospects, which form the basis of the below going concern review for the LLP.

During the preceding year, the LLP had taken firm action to manage the impact of the Covid-19 pandemic. At 30 April 2021 the LLP was in a position to have repaid government furlough monies where possible and committed to reimburse any voluntary staff salary reductions. Staff bonus pools had also been increased significantly to give financial recognition to our people for their efforts during the crisis.

During FY22 the firm continued to be cautiously optimistic in its approach. Revenue budgets included contingencies should business performance not match forecast levels, and investment spend remained closely monitored. This enabled the LLP to mitigate the impact of the Omicron variant of the Covid-19 virus, as well as macroeconomic pressures arising from the ongoing Ukraine crisis.

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the members have considered the business activities as set out in the Members' Report, and the critical accounting judgements and estimates as set out in Note 2.

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

1. Accounting policies (continued)

Going concern (continued)

The LLP has access to a £35m revolving credit facility with its main bankers. As at 31 July 2022 all financial covenant tests on the facility were met with significant headroom. The latest cash flow forecast suggests the firm will continue to meet future covenant tests comfortably. As a result, the Board believes that the LLP is well placed to manage its financing and other significant risks satisfactorily and that the LLP will be able to operate within the level of its facilities for the foreseeable future. For this reason, the Board considers it appropriate for the LLP to adopt the going concern basis in preparing its financial statements.

Fee income and revenue recognition

Fee income represents the fair value of legal services provided during the year on client assignments. Fair value reflects the amount expected to be recoverable from clients and is based on time spent, expertise and skills provided, and expenses incurred. Fee income is stated net of value added tax or equivalent sales taxes.

Legal services provided to clients during the year which, at the balance sheet date, have not been invoiced to clients, have been recognised as fee income in accordance with section 23 of Financial Reporting Standard 102. Fee income recognised in this manner is based on an assessment of the fair value of the services provided by the balance sheet date as a proportion of the total value of the engagement. Provision is made against unbilled amounts on those engagements where the right to receive payments is contingent on factors outside the control of the LLP.

Unbilled fee income is included as amounts recoverable on contracts within debtors. Amounts recoverable on contracts are stated at fair value where the right to consideration has been obtained.

Where the substance of a contract is such that a right to consideration does not arise until the occurrence of a critical event, no revenue is recognised.

Cash at bank and in hand

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.

Interest income/expense

Interest income/expense is recognised using the effective interest rate method.

Dividend Income

Dividend income is recognised when the right to receive payment is established.

Government grants

Government grants are recognised once there is reasonable assurance both that the entity will comply with any conditions and that the grant will be received. Specifically for the Coronavirus Job Retention Scheme and other related measures the Group has adopted the accrual model for recognition.

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

1. Accounting policies (continued)

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment.

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

| | |
|---------------------------------|--|
| Leasehold property improvements | - evenly over the estimated useful life (currently between 5 and 20 years) |
| Furniture and equipment | - 15%-33% per annum straight-line |
| Computer installation | - 33% per annum straight-line |
| Motor vehicles | - reducing balance |

No depreciation is charged on assets under construction.

Intangible assets

Costs associated with the development of the global HR system and internet site were recognised in the financial statements as an intangible asset. The firm expects to derive economic benefits from the development costs capitalised in this manner over a period of five years from the date the systems are brought into productive use and the costs, including any enhancement expenditure, will be amortised on a straight line basis over this period.

Impairment of tangible and intangible assets

At each balance sheet date, the Group 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 is present, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount and the impairment loss is recognised as an expense immediately.

Investments

Investments are stated at cost less provision for impairment. At each balance sheet date, the Group reviews the carrying amounts of its investments to determine whether there is any indication that those investments have suffered an impairment loss. Any impairment is charged to the profit and loss account. Reversals of impairment are recognised when the reasons for impairment no longer apply.

Taxation

The tax payable on the profits of Limited Liability Partnerships in the UK is usually the personal liability of the members, although payment of such liabilities is administrated by the LLP for UK members.

Foreign currencies

Transactions denominated in currencies other than the reporting currency are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities not denominated in the reporting currency at the balance sheet date are translated at the rates ruling at that date.

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

1. Accounting policies (continued)

Leases

At inception the LLP assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains a finance or operating lease based on the substance of the arrangement. Operating lease rentals are charged to the profit and loss account in equal amounts over the lease term. Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

The LLP has taken advantage of the exemption in respect of lease incentives on leases in existence on the date of transition to FRS 102 (1 May 2014) and continues to credit such lease incentives to the profit and loss account over the period to the first review date on which the rent is adjusted to market rates.

Provisions

Provision is made for the best estimate of expected losses from onerous contracts; in particular, in respect of surplus property. This is calculated as the present value of future lease payments for surplus property after allowance for anticipated income from subtenants.

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

The provision for claims represents the estimated cost to the LLP of defending and settling claims where a liability is considered by the members to be probable, after allowing for expected recoveries under insurance policies.

The value of the provision for former member and employee annuities is based on the best estimate of the current value of future cash flows.

Longer term provisions are shown at the present value of the expected liability. The increase during the period in the discounted amount arising from the passage of time and the effect of any change in the discount rate is charged to the profit and loss account.

Pension costs

The LLP operates a number of Group Personal Pension Plans which are defined contribution schemes. The assets of these are held separately from those of the LLP. The amount charged to the profit and loss account represents the contributions payable to the Personal Pension Plans in respect of the accounting year.

Financial instruments

Financial assets and financial liabilities are recognised when the LLP becomes a party to the contractual provisions of the instrument.

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

Financial assets and liabilities

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

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

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

1. Accounting policies (continued)

Financial instruments (continued)

Financial assets and liabilities (continued)

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the LLP transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the LLP, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

2. Critical accounting judgements and estimates

In the application of the LLP's accounting policies, which are described in note 1, management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities. 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.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the LLP's accounting policies

In the process of applying the LLP's accounting policies, management has concluded that there are no individual judgements which have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Revenue recognition – accrued revenue

The value of accrued revenue is derived on the basis of estimations and assumptions regarding the fair value of unbilled time at the year end, having regard to the LLP's accounting policy for revenue recognition.

Impairment of debtors

The LLP makes an estimate of the recoverable value of debtors, other debtors and amounts recoverable on contracts. When assessing impairment of trade receivables, other debtors and amounts recoverable on contracts, the members consider factors including the current credit rating of the debtor, the ageing profile and historic experience. See note 12 for the net carrying amount of the LLP's debtors.

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

2. Critical accounting judgements and estimates (continued)

Key sources of estimation uncertainty (continued)

Measurement of provisions

The LLP's provisions, as set out in note 15 to the financial statements, include provisions for professional indemnity and other commercial claims, and are based on members' best estimates of future cash flows.

3. Turnover

The LLP's turnover derives from the provision of legal services.

No segmental or geographical analysis has been shown. The Board considers that such a disclosure would be prejudicial to the interests of the business.

4. Operating Profit

Operating profit is stated after charging/ (crediting):

| | 2022 £'000 | 2021 £'000 |
|---|---------------|---------------|
| Government grants received towards employment costs | (67) | (210) |
| Sub-tenant rent receivable | (2,704) | (1,635) |
| Depreciation of tangible fixed assets (note 9) | 7,646 | 7,586 |
| Amortisation of intangible assets (note 8) | 1,194 | 1,033 |
| Loss on disposal of fixed assets | 1,149 | - |
| Operating lease rental costs for the year: | | |
| Land and buildings | 19,591 | 18,556 |
| Furniture and equipment | 82 | 90 |
| (Gain)/loss on foreign exchange | (2,152) | 120 |

Government grant income relates to payments receivable in the period under the Job Support Schemes in France and Singapore.

Auditor's remuneration for the auditing of the financial statements was £100,000 (2021: £90,000). Non-audit services provided in the period were £0 (2021: £143,000).

5. Net interest receivable/ (payable)

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Interest receivable | 760 | 650 |
| Interest payable and similar expenses | (272) | (195) |
| Interest payable to former partners | (160) | (240) |
| Interest cost on post-retirement annuities | (11) | (13) |

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

6. Staff numbers and costs

In the year ended 30 April 2022, the majority of UK based staff were employed by Pinsent Masons Services Limited, a subsidiary of the LLP. The staff costs that were recharged to the LLP were as follows:

| | 2022 £'000 | 2021 £'000 |
|---|----------------|----------------|
| Amounts recharged from group undertakings | <u>143,938</u> | <u>137,181</u> |

The average monthly number of employees directly employed by Pinsent Masons LLP was:

| | 2022 Number | 2021 Number |
|---------------------|----------------|----------------|
| Fee earners | 133 | 118 |
| Support staff: | | |
| Secretarial support | 22 | 23 |
| Business support | 53 | 56 |
| | <u>208</u> | <u>197</u> |

Their aggregate remuneration comprised:

| | 2022 £'000 | 2021 £'000 |
|-----------------------|---------------|---------------|
| Wages and salaries | 32,100 | 35,386 |
| Social security costs | 1,065 | 1,414 |
| Other pension costs | 1,089 | 746 |
| Other costs | 608 | 518 |
| | <u>34,862</u> | <u>38,064</u> |

7. Profit before members' remuneration and profit shares

Profits are shared among the members each year in accordance with agreed profit-sharing arrangements and include interest on members' funds. Members make their own provision for pensions from their profit shares.

| | 2022 Number | 2021 Number |
|---------------------|----------------|----------------|
| Equity members | 176 | 168 |
| Fixed share members | 224 | 237 |
| | <u>400</u> | <u>405</u> |

At 30 April 2022 there were 386 members (2021: 426 members). The highest remuneration of a member for the year, which is divided after the year end, was £1,857,000 (2021: £1,599,000).

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

8. Intangible assets

| | Software £'000 |
|---------------------------------|-------------------|
| Cost | |
| At 1 May 2021 | 5,507 |
| Additions | 1,053 |
| | <hr/> |
| At 30 April 2022 | 6,560 |
| | <hr/> |
| Accumulated amortisation | |
| At 1 May 2021 | (2,399) |
| Charge for the year | (1,194) |
| | <hr/> |
| At 30 April 2022 | (3,593) |
| | <hr/> |
| Net book value | |
| At 30 April 2022 | 2,967 |
| | <hr/> <hr/> |
| At 30 April 2021 | 3,108 |
| | <hr/> <hr/> |

9. Tangible fixed assets

| | Leasehold property improvements £'000 | Furniture and equipment £'000 | Computer installation £'000 | Total £'000 |
|-----------------------|--|-------------------------------------|-----------------------------------|----------------|
| Cost | | | | |
| At 30 April 2021 | 48,763 | 8,034 | 12,485 | 69,282 |
| Additions | 2,775 | 1,062 | 3,099 | 6,936 |
| Disposals | (2,201) | (95) | (2,553) | (4,849) |
| Exchange adjustment | 372 | 86 | 115 | 575 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 30 April 2022 | 49,707 | 9,087 | 13,146 | 71,944 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Depreciation | | | | |
| At 30 April 2021 | 27,100 | 4,645 | 8,670 | 40,415 |
| Charge for the year | 3,931 | 983 | 2,732 | 7,646 |
| Disposals | (1,060) | (91) | (2,549) | (3,700) |
| Exchange adjustment | 286 | 69 | 103 | 458 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| At 30 April 2022 | 30,257 | 5,606 | 8,956 | 44,819 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net book value | | | | |
| At 30 April 2022 | 19,450 | 3,481 | 4,190 | 27,123 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| At 30 April 2021 | 21,663 | 3,389 | 3,815 | 28,867 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

10 Investments

The LLP holds a 20% investment in Yuzu Limited. The original investment was £120,000 and during the course of 2017 this was fully impaired. The book value as at 30 April 2022 is therefore nil (2021: £nil).

11. Restricted cash

Of the cash balance, £7,951,000 (2021: £8,344,000) is restricted due to exchange controls in certain jurisdictions.

12. Debtors

| | 2022 £'000 | 2021 £'000 |
|----------------------------------|----------------|----------------|
| Trade debtors | 114,377 | 104,428 |
| Amounts recoverable on contracts | 30,047 | 25,697 |
| Amounts due from subsidiaries | 57,429 | 46,003 |
| Prepayments and accrued income | 18,782 | 16,280 |
| | <u>220,635</u> | <u>192,408</u> |

Amounts due from subsidiaries are unsecured, have no fixed date of repayment and are repayable on demand. All amounts are interest free except for the following balances due from the LLP's subsidiary undertakings which all carry an interest charge of 1.5% per annum:

| | 2022 £'000 | 2021 £'000 |
|---|---------------|---------------|
| Pinsent Masons France LLP | 1,496 | 2,973 |
| Pinsent Masons Rechtsanwälte Steuerberater Solicitors Partnerschaft mbB | 12,749 | 7,596 |
| Pinsent Masons (Australia) Partnership | 5,267 | 4,506 |
| Pinsent Masons Services Ireland Limited | 5,845 | 3,494 |
| Pinsent Masons South Africa Inc. | 325 | 268 |
| Pinsent Masons Africa LLP | 9,052 | 7,094 |
| Pinsent Masons España SLP | 2,746 | - |
| | <u>29,070</u> | <u>26,334</u> |

13. Creditors: amounts falling due within one year

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Trade creditors | 29,541 | 24,800 |
| Amounts due to subsidiaries | 12,086 | 13,579 |
| Taxation and social security | 9,015 | 9,324 |
| Other creditors | - | 14 |
| Amounts in lieu of capital owed to non-member partners | 263 | 1,420 |
| Accruals and deferred income | 23,762 | 31,192 |
| | <u>74,667</u> | <u>80,329</u> |

Amounts owed to subsidiaries are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

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

| | 2022 £'000 | 2021 £'000 |
|--|---------------|---------------|
| Operating lease incentive creditor | 11,841 | 13,081 |
| Amounts in lieu of capital owed to non-member partners | 6,843 | 7,305 |
| | <u>18,684</u> | <u>20,386</u> |

15. Provisions for liabilities

| | 1 May 2021 £'000 | Charge for the year £'000 | Released/ Utilised in year £'000 | 30 April 2022 £'000 |
|--------------------------------------|------------------------|---------------------------------|---|---------------------------|
| Professional indemnity claims | 3,754 | 2,505 | (2,529) | 3,730 |
| Property provisions | 2,180 | 325 | (254) | 2,251 |
| Former member and employee annuities | 833 | - | (39) | 794 |
| | <u>6,767</u> | <u>2,830</u> | <u>(2,821)</u> | <u>6,775</u> |

The provision for professional indemnity claims represents the estimated cost to the LLP of defending and settling claims where a liability is considered by the members to be probable, after allowing for recoveries under insurance policies. It is expected that the majority of this expenditure will be incurred in the next financial year and that all will be incurred within three years of the balance sheet date.

Property provisions represent expected losses from onerous contracts in respect of surplus properties. This is calculated as the present value of future lease payments for surplus property after allowance for anticipated income from subtenants. It is expected that the majority of this expenditure will be incurred within three years of the balance sheet date. The provision also includes allowances for dilapidation costs.

The provision for former member and employee annuities represents the cost of providing annuities, paid on a monthly basis, to certain former members and former employees. The principal actuarial assumptions used, after the application of mortality rates, in assessing the provision are:

| | 30 April 2022 | 30 April 2021 |
|---------------------------|---|---|
| Discount rate | 2.95% | 1.35% |
| Pension increases | 4.50% | 3.45% |
| Post retirement mortality | S3PA Tables CMI_2020 1% projections | S3PA Tables CMI_2020 1% projections |

The discount rate of 2.95% (2021: 1.35%) is based on the yield available on AA corporate bonds.

Pinsent Masons LLP

Notes to the Financial Statements For the year ended 30 April 2022 (continued)

16. Financial commitments

- (i) At the year-end contracts placed for future capital expenditure not provided for in the financial statements totalled £1,572,000(2021: £4,477,000). All of these financial commitments relate to fixed assets and intangible assets.
- (ii) Total future minimum lease payments under non-cancellable operating leases are as follows:

| | Land and buildings | |
|------------------------------|--------------------|----------------|
| | 2022 | 2021 |
| | £'000 | £'000 |
| - Within one year | 21,346 | 22,035 |
| - Between one and five years | 71,217 | 77,767 |
| - After five years | 63,295 | 80,236 |
| | <u>155,858</u> | <u>180,038</u> |

17. Contingent liabilities

In the normal course of business, the LLP may receive claims for alleged negligence. The LLP maintains an appropriate level of professional indemnity insurance cover which is reviewed annually. Where appropriate, provision is made for the costs arising from such claims net of the related insurance receivable. Claims notified are not expected to give rise to any material liability that has not previously been provided.

18. Related party transactions

Pinsent Masons LLP has relied upon the exemption given in FRS 102 (33.1.A) not to disclose transactions between itself and its subsidiary undertakings.

19. Controlling party

The ultimate and immediate parent undertaking and ultimate controlling party is Pinsent Masons International LLP, a limited liability partnership registered in England and Wales, with a registered number OC412076.

The consolidated financial statements of Pinsent Masons International LLP, the only group in which the entity is consolidated, are available to the public and may be obtained from its address at 30 Crown Place, London, EC2A 4ES.

20. Post balance sheet events

On 14 June 2022, Pinsent Masons Luxembourg LLP, a 100% subsidiary of the LLP, was incorporated. The results of this new entity will be included in the LLP's results for the period ending 30 April 2023.

Pinsent Masons LLP

Appendix – Listing of Subsidiary Undertakings

The subsidiary undertakings held by the LLP are as follows:

Subsidiary partnerships

| | Country of incorporation or business address | Registered address | Principal activity |
|---|--|--|--------------------|
| Pinsent Masons Germany LLP | England & Wales | 30 Crown Place, London, EC2A 4ES | Dormant |
| Pinsent Masons France LLP | England & Wales | 30 Crown Place, London, EC2A 4ES | Legal services |
| Pinsent Masons EMEA LLP | England & Wales | 30 Crown Place, London, EC2A 4ES | Dormant |
| Pinsent Masons Pacific LLP | England & Wales | 30 Crown Place, London, EC2A 4ES | Dormant |
| Pinsent Masons Netherlands LLP | England & Wales | 30 Crown Place, London, EC2A 4ES | Legal services |
| Pinsent Masons Luxembourg LLP | England & Wales | 30 Crown Place, London, EC2A 4ES | Legal services |
| Pinsent Masons (Australia) Partnership | Australia | Level 32, Tower Two International Towers, Sydney NSW 2000 | Legal services |
| Pinsent Masons Belfast LLP | Northern Ireland | The Soloist, 1 Lanyon Place, Belfast, County Antrim, BT1 3LP | Legal services |
| McGrigors LLP | Scotland | Princes Exchange, 1 Earl Grey Street, Edinburgh, Midlothian, EH3 9AQ | Dormant |
| Pinsent Masons Ireland | Ireland | 1 Windmill Lane, Dublin 2 | Legal services |
| Pinsent Masons Hong Kong | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai, | Legal services |
| Pinsent Masons MPillay LLP | Singapore | 16 Collyer Quay, #22-00, Singapore, 049318 | Legal services |
| Pinsent Masons Africa LLP | South Africa | 30 Crown Place, London, EC2A 4ES | Legal services |
| Pinsent Masons Rechtsanwälte Steuerberater Solicitors Partnerschaft mbB | Germany | Ottostrasse 21, 80333 München, Germany | Legal services |

The above subsidiaries are wholly owned by Pinsent Masons LLP, members of the LLP, or those of equivalent status.

Pinsent Masons LLP

Appendix – Listing of Subsidiary Undertakings (continued)

Subsidiary companies

| | Country of incorporation or business address | Registered address | Principal activity | Holding | % Interest |
|---|--|---|---------------------|--|------------|
| Pinsent Masons Services Ltd | England & Wales | 30 Crown Place, London, EC2A 4ES | Management services | 100 Ordinary Shares | 100 |
| Trustee Solutions Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Pension trustee | 4 Ordinary Shares | 100 |
| Alpha & Omega Trust Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 100 Ordinary Shares | 100 |
| Aylesbury Street Services Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 100 Ordinary Share | 100 |
| Innstep (Nominees) Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 2 Ordinary Shares | 100 |
| Hedgehog (1) Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Management Services | 1 Ordinary Share | 100 |
| Masons Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 2 Ordinary Shares | 100 |
| McGrigors Ltd | England & Wales | 30 Crown Place, London, EC2A 4ES | Dormant | 2 Ordinary Shares | 100 |
| Park Square (Leeds) Nominees Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 60 Ordinary Shares | 100 |
| Pinsent Masons Secretarial Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 3 Ordinary Shares | 100 |
| Pinsent Masons Director Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 3 Ordinary Shares | 100 |
| Pinsents.com Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 1 Ordinary Share | 100 |
| Pinsentmasons.com Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 1 Ordinary Share | 100 |
| Pinsents Ltd | England & Wales | 1 Park Row, Leeds, LS1 5AB | Dormant | 1 Ordinary Share | 100 |
| Brook Graham Ltd | England & Wales | 30 Crown Place, London, EC2A 4ES | Consultancy | 100 A Ordinary shares 100 B Ordinary shares 100 C Ordinary shares 100 D Ordinary shares | 100 |
| Pinsent Masons Office Management and Services Ltd | Turkey | Büyükdere Caddesi No 127 Astoria B Kule Kat 5, No 14-15 Esentepe 34394 Şişli İstanbul | Management services | 100 Ordinary Shares | 100 |
| Pinsent Masons Australia Services Pty Ltd | Australia | Level 32, Tower Two International Towers, Sydney NSW 2000 | Management services | 10 Ordinary Shares | 100 |
| Brook Graham Australia Pty Limited | Australia | Level 32, Tower Two International Towers, Sydney NSW 2000 | Consultancy | 1 Ordinary Share | 1 |

Pinsent Masons LLP

Appendix – Listing of Subsidiary Undertakings (continued)

Subsidiary companies (continued)

| | Country of incorporation or business address | Registered address | Principal activity | Holding | % Interest |
|---|--|--|---------------------|----------------------|------------|
| McGrigors Pension Trustees Ltd | Scotland | 141 Bothwell Street, Glasgow, G2 7EQ | Pension trustee | 2 Ordinary Shares | 100 |
| Caledonian Pacific Trustees Ltd | Scotland | 13 Queen's Road, Aberdeen, AB15 4YL | Dormant | 2 Ordinary Shares | 100 |
| McGrigor Donald Property Trustees Ltd | Scotland | 13 Queen's Road, Aberdeen, AB15 4YL | Dormant | Limited by Guarantee | 100 |
| MD Directors Ltd | Scotland | 13 Queen's Road, Aberdeen, AB15 4YL | Dormant | 2 Ordinary Shares | 100 |
| MD Secretaries Ltd | Scotland | 13 Queen's Road, Aberdeen, AB15 4YL | Dormant | 2 Ordinary Shares | 100 |
| MGD Property Company Ltd | Scotland | 13 Queen's Road, Aberdeen, AB15 4YL | Dormant | Limited by Guarantee | 100 |
| Pinsent Masons Secretaries (Edinburgh) Ltd | Scotland | 13 Queen's Road, Aberdeen, AB15 4YL | Dormant | 2 Ordinary Shares | 100 |
| Pinsent Masons Services Ireland Ltd | Ireland | 1 Windmill Lane, Dublin 2 | Management services | 1 Ordinary share | 100 |
| Pinsent Masons Corporate Services Ireland Limited | Ireland | 1 Windmill Lane, Dublin 2 | Nominee Services | 1 Ordinary share | 100 |
| Pinsent Masons Nominees 1 Ireland Limited | Ireland | 1 Windmill Lane, Dublin 2 | Nominee Services | 1 Ordinary share | 100 |
| Pinsent Masons Nominees 2 Ireland Limited | Ireland | 1 Windmill Lane, Dublin 2 | Nominee Services | 1 Ordinary share | 100 |
| Pinsent Masons Management Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Management services | 2 Ordinary Shares | 100 |
| Grace Sun Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Management services | 1 Share | 100 |
| Grace Step Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Management services | 1 Share | 100 |
| Caxton Secretaries Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Management services | 2 Shares | 100 |
| Chinalane Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Dormant | 2 Shares | 100 |
| Chinawood Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Dormant | 2 Shares | 100 |

Pinsent Masons LLP

Appendix – Listing of Subsidiary Undertakings (continued)

Subsidiary companies (continued)

| | Country of incorporation or business address | Registered address | Principal activity | Holding | % Interest |
|--|--|---|-----------------------|------------------------|------------|
| Fleet Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Dormant | 2 Shares | 100 |
| Tarrimott Ltd | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Dormant | 2 Shares | 100 |
| Vario from Pinsent Masons (HK) Limited | Hong Kong | 50th floor, Central Plaza, 18 Harbour Road, Wan Chai | Recruitment Services | 1 Ordinary Share | 100 |
| Pinsent Masons Nominee Company (Falklands) Ltd | Falkland Islands | 56 John Street, Stanley, FIQQ 1ZZ | Dormant | 1 Ordinary Share | 100 |
| Pinsent Masons Belfast Nominees Ltd | Northern Ireland | The Soloist Building, 1 Lanyon Place, Belfast, Antrim, BT1 3LP | Dormant | 2 Ordinary Share | 100 |
| Pinsent Masons Belfast Secretarial Ltd | Northern Ireland | The Soloist Building, 1 Lanyon Place, Belfast, Antrim, BT1 3LP | Dormant | 2 Ordinary Share | 100 |
| Pinsent Masons España, SLP | Spain | Calle Pinar, 5, 28006 Madrid, Spain | Legal services | 3,010 Shares | 100 |
| Pinsent Masons Africa Inc. | South Africa | 61 Katherine Street, Sandton, 2196, Johannesburg | Legal services | 7 Ordinary Shares | 100 |
| Starfish Foundation 2020 (RF)(PTY) Ltd | South Africa | 61 Katherine Street, Sandton, 2196, Johannesburg | Charitable foundation | 1,000 Ordinary Shares | 100 |
| Pinsent Masons Germany Holding GmbH | Germany | Ottostrasse 21, c/o Pinsent Masons Germany LLP, 80333 München, Germany | Holding company | 25,000 Ordinary Shares | 100 |
| Vario Legal GmbH | Germany | Neue Rothofstraße 13-19, c/o WeWork Goetheplatz, 60313 Frankfurt am Main, Germany | Recruitment Services | 6 Ordinary Shares | 100 |
| Xenia GmbH | Germany | Ottostrasse 21, 80333 München, Germany | Dormant | 4 Ordinary Shares | 100 |