

CMS Cameron McKenna Nabarro Olswang LLP

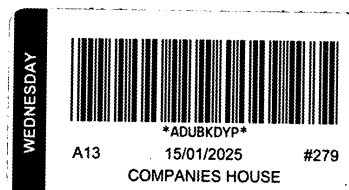
CMS Cameron McKenna Nabarro Olswang LLP

**Annual report and consolidated financial
statements**

Year ended

30 April 2024

Registration No: OC310335



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Officers and Professional Advisers

Registered No: OC310335

Designated members

S S A Millar

R C Currier

Independent Auditor

PricewaterhouseCoopers LLP ("PwC")

Chartered Accountants and Statutory Auditor

Atria One

144 Morrison Street

Edinburgh EH3 8EB

United Kingdom

Bankers

NatWest Group plc

London City Office

62-63 Threadneedle Street

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Registered office

Cannon Place

78 Cannon Street

London

EC4N 6AF

Members' Report

Year ended 30 April 2024

The Board is pleased to present its annual report together with the audited consolidated financial statements and auditor's report for the year ended 30 April 2024.

Principal activity and Group structure

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

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

The Group is a founding firm of CMS, which is now an organisation of 21 independent law firms that operate under the CMS brand across the world.

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

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

- UK: London, Aberdeen, Bristol, Edinburgh, Glasgow, Leeds, Liverpool, Manchester, Reading and Sheffield,
- International: – Australia, Belgium, Brazil, Bulgaria, China, Czechia (Czech Republic), Hong Kong (SAR), Hungary, Ireland, Israel, Kingdom of Saudi Arabia (KSA), Oman, Poland, Romania, Singapore, Slovakia, Türkiye (Turkey), Ukraine, United Arab Emirates (UAE).

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

Review of the business and future developments

The results for the year are set out on page 23. The LLP's business plan is to continue to invest and grow, in particular in its existing locations and key sectors while retaining appropriate profitability.

During the year the Group opened new offices in Dublin (operated through a new Irish LLP), Abu Dhabi (as a branch of the existing UAE entity) and in Riyadh (by a new KSA subsidiary).

Business continues as normal as much as possible for our Ukrainian and Israeli entities.

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

The members try and take account of the continuing uncertain market conditions and have looked at a number of different scenarios over the next few years and have worked to ensure that we have sufficient cash and available funding. See note 1 for details on the adoption of the going concern basis.

Members' Report (continued)
Year ended 30 April 2024

Designated Members

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

- Susan Penelope Warne – Senior Partner – resigned 30 April 2024
- Richard Charles Currier – Senior Partner – appointed 1 May 2024
- Stephen Samuel Alexander Millar – Managing Partner

Members' drawings, profit share and capital subscriptions

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

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

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

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

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

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

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

Audit and Risk Committee

The Audit and Risk Committee (the "Committee") has four members and is chaired by Caryn Miller, a member of the LLP. The terms of reference of the Committee include the review of the Group's financial statements and to receive reports from the external auditor regarding their findings from the audit. The Committee also considers the scope, results and effectiveness of the external audit

Members' Report (continued)

Year ended 30 April 2024

Audit and Risk Committee (continued)

including review of the independence of the external auditor, non-audit services and fees. Chief Finance Officer, General Counsel and other senior personnel, together with the external auditor, attend Committee meetings by invitation.

Diversity, Equity, Inclusion & Belonging (DEIB)

The Group's DEIB strategy has the objective of developing and supporting an equitable and inclusive workplace that recognises high performance regardless of an individual's personal characteristics – might they be protected by the law or not (race, colour, age, religion or belief, gender, gender identity, gender expression, marital or civil partner status, ethnic or national origin, physical or mental disability, sexual orientation, and pregnancy or maternity status). The agenda and strategy is championed at Board level and is further embodied in the Group's thirteen inclusion network groups comprising Carers, Christian, CMS Women, embRACE, ENABLE, Families, Hindu, Sikh and Jain, Jewish, LGBTQ+, Mental Health and Wellbeing, Muslim, Neurodiversity and Social Mobility.

The Group has a focus on recruiting, retaining and developing diverse talent and is committed to setting down basic principles that encourage diversity within the workplace.

Community investment

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

To help meet these our objectives, all staff are encouraged to spend up to 50 hours a year on pro bono and volunteering activities and we work with a range of community organisations and charities in creating holistic, genuine partnerships that includes volunteering, in-kind and pro bono support. Examples include our global charity partnership with Médecins Sans Frontières (MSF), the CMS Social Impact Fund providing funding and volunteering opportunities across our global locations, Legal Workshops with young people, pro bono Legal Clinics and partnerships with Trust Law and A4ID.

Our Social Impact programme ensures that together and individually, we are able to make a positive difference in the communities we live and work in, both locally and globally.

During the year, Group employees and partners contributed 30,994 hours of working time (2023 – 26,213 hours) to community and charitable activities.

Employee consultation

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

Members' Report (continued)
Year ended 30 April 2024

Employee consultation (continued)

The Group's intranet homepage, Horizon, is updated on a daily basis with typically one or two stories, which communicates important messages to staff, on topics such as diversity, events, business development, training, benefits and wellbeing. Particularly important messages are communicated by our Senior or Managing Partner via email to all staff internally. In most of our UK offices and some of our international offices, messages are displayed electronically via screens in communal areas such as tea points. Each year, our annual review is distributed internally to all employees which highlights the Group's performance over the past year. Employees across the Group are also given the opportunity to provide feedback, through our annual Employee Engagement Survey. This is used to set priorities and addresses issues identified by employees.

Donations

During the year the Group made charitable donations totalling £323,000 (2023 – £387,000). It did not make any political donations in either year.

Supplier payment policy

The Group seeks to make prompt settlement of supplier invoices, subject to the goods and services received being in accordance with agreed terms.

In line with our UK government reporting on payment practices, our average time taken to pay invoices for the year ended 30 April 2024 was 18.5 days (2023 – 17.5 days). Our standard contractual payment terms for suppliers are 30 days however this will vary if the supplier services are chargeable and payable by our clients.

Independent Auditor

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

Approval

Approved by the members and signed on their behalf by:



S S A Millar
Managing Partner

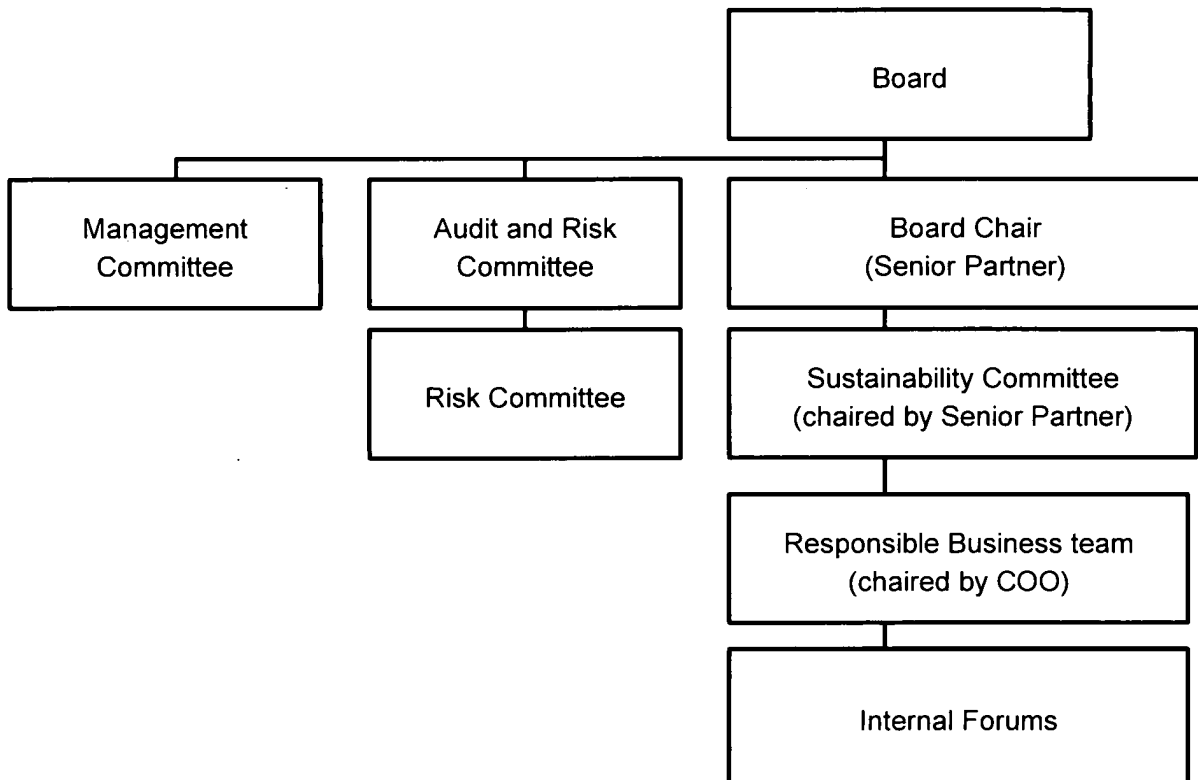
Date: 3 December 2024

Energy And Carbon Report Year ended 30 April 2024

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

CMS CMNO LLP ('the LLP' or 'the Group') welcomes the opportunity to report in line with the TCFD and the United Kingdom Government's climate-related financial disclosure requirements under the Limited Liability Partnerships Regulations 2022. We expect to improve our disclosures year on year as data quality, availability and technology continues to evolve.

Governance



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

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

Energy And Carbon Report (continued)

Year ended 30 April 2024

Climate-related information is gathered by the Sustainability Committee through multiple channels including employee engagement and surveys, supply chain analysis, and monitoring of industry trends and emerging regulations. The Sustainability Committee meets regularly and on such other occasions as the Senior Partner sees fit. They provide monthly updates to the Board on climate-related issues to ensure efficient workstreams are in place to make progress against our Science Based Target ('SBT').

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

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

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

Strategy

In 2023, the LLP undertook both qualitative and quantitative scenario analysis, engaged across the organisation and assessed the Group's existing resiliency plans. During the year we also undertook our first materiality assessment with input from each member of the Management Committee – identifying and prioritising our material ESG topics around which to develop our strategy. At CMS CMNO, we define non-financial risks to be any risks not exclusively related to the firm's finances that could have an impact on our reputation, strategy, and operations. Operational risks are identified by the Management Committee who also regularly review all risks identified and incorporate mitigation into operational activities. To devise our material sustainability risks, we engaged with frameworks such as SASB and are disclosing our GRI index to understand the breadth of non-financial risks for the professional services sector. We reviewed these risks internally in line with the firm's strategic objectives to understand the risks that are most material to our business. To prioritise our material risks and opportunities, we undergo a process of internal engagement with all members of the Management Committee who provide the necessary oversight to assess the significance of specific risks and opportunities on the firm's strategy and to stakeholders (including the Board, Partners, employees, clients, and local communities). The firm's Board is chaired by our Senior Partner. The Responsible Business team prepares monthly reports for the Board and the Chair participates in regular Sustainability Committee meetings where ESG-related risks and opportunities are discussed.

We have set out those risks and opportunities identified as material in Tables 2 and 3, alongside relevant mitigation measures. We have disclosed the potential impacts on revenue, capital expenditure and capital allocation, where relevant. Quantification of risks and opportunities has not been undertaken this year; however, the LLP seeks to achieve this within the next 2-5 years as data quality and credibility improves.

Energy And Carbon Report (continued)
Year ended 30 April 2024

Scenario analysis looked across the following time horizons:

Table 1 – Short, medium, and long-term time horizons

Short-term	2024-2028 (0-4 years)	Considers current planning and strategy cycle
Medium-term	2029-2032 (4-8 years)	Encapsulates senior partner appointments
Long-term	2033-2050 (8+ years)	Allows sufficient consideration of physical and transition impacts

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

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

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

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

We selected these scenarios as the IEA is a highly reputable source of data with clear and credible assumptions. It is used across our peers and enables comparability across the industry's sustainability reporting. It also contains current carbon price assumptions allowing for effecting quantitative analysis of the Group's direct operations. We modelled our scope 1, 2 and 3 emissions under the NZE and APS scenarios using the absolute emissions contraction approach across the medium and long-term timeframes out to 2050. The LLP does not currently have an internal carbon price, though this is being considered in the medium to long-term. We have examined potential pathways as part of our SBT setting and challenge the current future pathway alongside ambitious emissions reduction targets. In 2024, we have undertaken a refresh of our risks and opportunities inventory, including the assessment for additional risk inclusion, consolidation of risks were deemed suitable, and refresh of risk impact scoring where relevant, taking into consideration internal and external changes linked to policy evolution. The group's risk register was updated to incorporate the updated risks and opportunities along with the impact scoring to help the LLP prioritise risks and respond accordingly, with an action, owner and timeframe against each.

¹ SSP refers to Shared-Socio economic Pathways, with the associated degrees of warming being 2.7 and 4°C respectively.

Energy And Carbon Report (continued)
Year ended 30 April 2024

Table 2 – Key Climate-related Risks

Risk Type	Risk Category	Risk Description	Impact (low/medium/high)	Mitigating Activities
Transition	Policy and legal	Current and emerging regulations: The Group has offices in 19 countries and must adhere to multiple country-specific climate related regulations.	Medium for both short and long-term Potential impacts include increased operational/compliance costs or fines from non-compliance; and/or reputational damage leading to loss of clients and reduced revenues.	The LLP is already compliant with ESOS and SECR (GHG emissions reporting to Companies House), and will need to comply with CSRD in the short-term timeframe. We continue to undertake monitoring and horizon scanning of emerging regulations including CSRD and the UK Sustainability Disclosure Requirements (SDR) which encompasses the integration of TPT and ISSB into UK law, as part of our operational practice and in house skills development. The LLP has considerable expertise across its employees as part of capitalising on the opportunities associated with the climate transition.
	Policy and legal	Carbon pricing: Uncertainty surrounding climate regulation, such as carbon pricing mechanisms, may impact future Group operations and is evaluated by the LLP. Clients may be faced with costs that impede their ability to conduct business.	Low for short-term, medium for long-term Potential impacts include increased operational costs Effects of mandatory carbon pricing from suppliers might be passed on to CMS CMNO, and there may be increased requirements around emissions data from clients	Due diligence is performed on the LLP's clients. Carbon pricing scenario analysis has been undertaken in 2023 and will continue to evolve alongside our TCFD reporting. The LLP has emissions reduction initiatives near term SBTs in place and is in the process of developing our net zero target.
	Reputation	Failure to meet communicated commitments	Low for short-term, medium for long-term There may be negative reputational impacts,	The LLP has emissions reduction initiatives to achieve the near term SBTs in place. We also voluntarily report to

Energy And Carbon Report (continued)
Year ended 30 April 2024

Risk Type	Risk Category	Risk Description	Impact (low/medium/high)	Mitigating Activities
			which may lead to loss of clients if CMS CMNO fails to meet communicated climate-related commitments.	sustainability frameworks such as CDP and EcoVadis for enhanced transparency and accountability.
	Reputation	Exposure to sectors with high levels of transition risk	Low to medium for short and long-term There is increasing scrutiny of sectors negatively associated with climate and which have high transition risks.	CMS CMNO serves a wide range of sectors therefore this mitigates against concentration risk.
	Reputation	Stakeholder expectations on climate impact	Low for short-term, medium for long-term There may be negative reputation if the LLP is not able to meet increasing expectations around climate impact, progress and targets.	The LLP has near-term SBTs in place, aligned with stakeholder expectations. We are also in the process of developing our net-zero SBTs as part of our commitment to be Net Zero by 2050 at the latest.
Physical	Acute	Event-driven hazards, such as heatwaves, water stress, occurrence of severe weather events	Low for short-term, medium for long-term Potential impacts include increased operational costs, decrease in productivity, incur of costs for adaptation measures.	CMS CMNO operates a flexible working policy, and most employees are equipped with remote working equipment. Continued implementation of short-term mitigating activities, such as engaging with building providers to track water usage. The LLP is also looking to engage in implementing water management practices to document reliance and develop plans to reduce water use in the long-term.
	Chronic	The LLP has not identified any material chronic physical risks over any time horizon.		

Energy And Carbon Report (continued)

Year ended 30 April 2024

We have listed above the key material risks and opportunities that are relevant for our operations and have processes and procedures in place to identify and manage climate-related risks as part of our wider risk management framework.

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

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

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

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

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

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

We are in the process of quantifying risks and opportunities and hope to be able to disclose relevant metrics and values in the short to medium-term. Relevant material opportunities have been identified and set out in Table 3 below.

Energy And Carbon Report (continued)
Year ended 30 April 2024

Table 3 – Key Climate-related Opportunities

Opportunities type	Description	Time frame	Impact
Reputation	<p>Positive reputational impacts arising from a meaningful contribution to the climate agenda will increase client attraction and retention. The LLP has a social impact programme, produces a Responsible Business report on our ESG initiatives, and provides pro-bono legal advice. During the financial year, the LLP expanded its bee programme as part of a commitment to environmental protection, staff engagement and education. The firm now sponsors local beehives or biodiversity initiatives across 13 UK and international offices. CMS clients and employees can visit a local initiative or join the network to get involved.</p>	Medium to long-term	Medium
Market	<p>The LLP's expertise allows us to offer specialist, business-focused advice in energy and climate change matters to clients operating in complex businesses and the constantly changing energy environment, including support on the adoption of new technologies. To help our clients manage their own risk, the LLP developed an eLearning programme, built on their established Law-Now eLearning platform. The LLP is constantly researching new opportunities, engaging both internally and horizon scanning for trends. Regulation increases business needs as the LLP can assist clients manage ever changing and emerging requirements. Emerging regulation can also be seen as an opportunity for the Group, as clients need to be able to respond to governments and each other. For any climate-related opportunities the LLP can capitalise on existing expertise within its workforce. We have an international footprint, with opportunities to capitalise on regional regulatory differences. As client preferences shift toward reducing environmental impact, we see opportunities to further strengthen client relationships by delivering services with a low emissions footprint, helping to</p>	Short to long-term	High

Energy And Carbon Report (continued)
Year ended 30 April 2024

Opportunities type	Description	Time frame	Impact
	<p>meet mutual sustainability goals, and to reduce costs and emissions for both parties.</p> <p>Significant investment in virtual technologies will reduce reliance on air travel for client meetings and support this endeavour.</p> <p>The LLP can adapt core services as well as expand into climate-specific services including the structuring of green finance; financial regulatory advice on EU; auditing of ESG risks, reporting and opportunities.</p>		

Risk Management

Our risk management processes require each area of the business to disclose material climate related risks on the risk register, this is then escalated through the LLP. One of the responsibilities of the Sustainability Committee is to consider areas of corporate process, individual corporate responsibility, and environment risk and whether such risks are managed effectively. The Committee also review the methodology for measuring performance. The Risk team is advised by the Committee of any new risks if it is deemed necessary for them to be added to the risk register and provides them with updates on existing risks. The risk register is formally reviewed by the LLP on a quarterly basis to understand progress against actions being taken to mitigate/accept/control the identified risks.

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

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

Energy And Carbon Report (continued) Year ended 30 April 2024

Metrics and Targets

The Group has a 1.5°C near term SBT² covering scope 1, 2 and 3 emissions with FY2019 being the base year. We track our scope 1, 2 and 3 emissions, as this informs progress against our internal and external targets and voluntary reporting. Similar to previous years, we undertook full calculations of our scope 1, 2 and 3 GHG emissions, obtaining limited assurance from a third party. We have implemented improved data collection and inventory systems in FY2024 to enhance GHG emissions calculation accuracy and subsequently leading to better informed decision-making.

The Group is currently in the process of setting our long-term SBT out to 2050. GHG emissions can be found within the SECR report on page 15. The Group uses the GHG protocol to calculate its emissions and there have been no changes in boundary or basis of reporting for the reporting period.

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

The Group actively tracks the revenue generated from our energy, environment and climate change advisory service. This includes advisory services to clients in all sectors and areas of ESG-related law, including: climate change strategies, urbanisation, technological disruption, sustainable finance, greenhouse gas emissions, circular economy, waste management, permitting, pollution and contamination, carbon regulation, renewable energy, and employee response.

In addition, the Group has also started tracking the % of our suppliers with validated SBTs (35.31% in FY2024), with the aim of increasing this percentage year-on-year through our supplier engagement process, leading to reduced emissions and strengthened supplier relationships.

With regards to other metrics, the Group tracks its energy usage per our SECR report on page 15.

² [status-report-Business-Ambition-for-1-5C-campaign.pdf \(sciencebasedtargets.org\)](#)

Energy And Carbon Report (continued)

Year ended 30 April 2024

This statement has been prepared in accordance with our regulatory obligation to report greenhouse gas ('GHG') emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, which implement the government's policy on Streamline Energy and Carbon Reporting ('SECR'). All figures disclosed cover our UK operations. During the reporting year 1 May 2023 to 30 April 2024, our total measured scope 1, 2 and 3 emissions (market-based) for our UK operations totalled 16,135 tCO₂e.

This comprised:

Scope	Emissions Category	Activity	2024	2023	2022	2021	2020
			tCO ₂ e	tCO ₂ e	tCO ₂ e	tCO ₂ e	tCO ₂ e
1	Stationary Combustion	Natural Gas Combustion	-	0.4	267	-	0.6
	Mobile Combustion	Owned/Leased Vehicle(s)	-	-	-	-	0.9
	Fugitive	Refrigerants	45	110	-	-	-
	Total Scope 1		45	110	267	-	2
2	Purchased Energy	Electricity (Location-based)	773	1,008	915	882	1,612
		Electricity (Market-based)	7	7	-	-	16
		Natural Gas Combustion	369	346	-	-	-
		District Heat	70	67	-	-	-
1+2	Total Scope 1 & 2 (Location-based)		1,257	1,531	1,182	-	1,614
	Total Scope 1 & 2 (Market-based)		490	530	267	-	18
3	Purchased Goods and Services		9,132 ³	9,169	9,411	12,599	18,318
	Capital Goods		1,420	3,252	4,261	3,563	4,892
	Fuel and Energy-related Activities		324	392	386	208	353
	Upstream Transportation & Distribution		303	343	425	335	353
	Waste Generated in Operations		33	23 ⁴	18	13	54
	Business Travel		2,890	2,285	346	105	5,110
	Employee Commuting		654	657 ⁵	164	45	871
	Homeworking		873	948 ⁵	1,599	1,562	-
	Downstream leased assets		16	-	-	-	-
Total Scope 3		15,645	17,066	16,609	18,430	29,951	
1+2+3	Total Scope 1, 2 & 3 (Location-based)		16,902	18,597	17,791	19,312	31,565
	Total Scope 1, 2 & 3 (Market-based)		16,135	17,596	16,876	18,430	29,969
Emission Intensity (tCO₂e per employee)			5.63	6.25	6.5	7.7	11.5

³ In FY24 a refined methodology for the UK apportionment of emissions from purchased goods and services have been undertaken based on FTE.

⁴ In FY24 a refined methodology allowed wastewater emissions to be included for FY23 allowing for more accurate comparative data.

⁵ The FY23 employee commuting and homeworking emissions have been adjusted to reflect a correction in the value reported.

Energy And Carbon Report (continued)
Year ended 30 April 2024

The table disclosed below shows the firm's global emissions inclusive of the UK. We have shown the SBT base year of FY19 and the most recent four years of emissions.

Emissions Scope	2024 tCO2e	2023 tCO2e	2022 tCO2e	2021 tCO2e	2019 tCO2e
Scope 1	264	388	557	196	1,127
Scope 2 Location-Based	2,036	1,993	1,642	1,593	2,719
Scope 2 Market-Based	1,327	922	512	545	768
Total Scope 3	22,221	22,043	19,927	20,611	35,265
Total Scope 1 & 2 Location Based	2,300	2,381	2,199	1,789	3,846
Total Scope 1 & 2 Market Based	1,591	1,310	1,069	741	1,895
Total Scope 1, 2 & 3 Location Based	24,521	24,424	22,126	22,400	39,111
Total Scope 1, 2 & 3 Market Based	23,806	23,353	20,996	21,352	37,160

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

During the year, our total UK fuel and electricity consumption totalled 5,943 MWh. The split between fuel and electricity consumption is displayed below.

Activity	2024 Value (MWh)	2023 Value (MWh)	2022 Value (MWh)	2021 Value (MWh)	2020 Value (MWh)
Electricity	3,735	4,869	4,310	3,784	6,307
Natural gas combustion	1,818	1,708	1,872	-	3
District heat	390	390	-	-	-
Transport fuel	Company car	-	-	-	4
	Personal Vehicles	-	-	-	20
	Hired Vehicles	-	-	2	3
Total	5,943	6,967	6,184	3,807	6,410

Energy efficiency actions taken:

- Since 2019, CMS has recorded a 70% reduction in printed paper usage in the UK. In 2024 we launched the "Think before you print!" campaign to build on this progress, removing 20 printers in underused locations across our UK offices equating to 720kWh energy savings and 0.28 tCO2e carbon savings so far. The aim is to embed more sustainable printing habits across the firm, reducing paper and ink usage as well as energy consumption.
- All UK offices have been fitted with LED lights and passive infrared sensors ('PIR'), including during the recent retrofit of our Manchester and Liverpool offices. Carbon savings of 15.97 tCO2e were achieved during these fit outs, as we took steps to retain items for reuse (6.66 tonnes of waste) and divert waste from landfill (13.39 tonnes of waste).
- Our supply chain accounts for approximately 90% of our scope 3 emissions and we continue to closely engage with key suppliers to share best practice and ideas for collaboration. We have been working specifically with our couriers and our records storage suppliers to utilise electric and hybrid vehicles as a priority for our services.

Energy And Carbon Report (continued) Year ended 30 April 2024

- In line with Government requirements, the firm has completed ESOS Phase 3 to identify additional potential energy savings that could be made across our UK offices. We will seek to implement some of these improvements in FY25.
- A Building Management System has been installed at our London headquarters, giving the facilities team increased control over our heating and cooling systems, so far resulting in approximately 946,850 kWh of energy savings and 314 tCO₂e of carbon savings.
- Business travel currently accounts for 19% of our total company-wide emissions, a 27% reduction since 2019. Our updated travel policy allows for first class train travel for journeys over three hours to encourage less domestic flying. Our new booking system also helps colleagues to make more informed, sustainable travel choices.
- The kitchen in our London office canteen, which caters for up to 1,000 staff daily, has moved away from outdated gas equipment to fully electrical equipment.
- We continued with efforts to close some of our office floors on low occupancy days. 1 floor of our Edinburgh office is now closed on Mondays and Fridays, resulting in 186,800 kWh energy savings and 55tCO₂e of carbon savings.
- We run a Sustainability in Action newsletter shared with all staff throughout the year. Each month we share information and tips on a different environmental theme, encouraging CMS employees to partake in initiatives such as World Environment Day and Plastic Free July.

Methodology

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

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

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

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

Approved by the members and signed on their behalf by:



S S A Millar
Managing Partner

Date: 3 December 2024

Members' Responsibilities Statement

Year ended 30 April 2024

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

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

Under company law, as applied to limited liability partnerships, members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and LLP and of the profit or loss of the LLP for that period. In preparing the financial statements, the members are required to:

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

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

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

**Independent auditor's report to the members of CMS Cameron McKenna
Nabarro Olswang LLP
Year ended 30 April 2024**

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the group's and of the LLP's affairs as at 30 April 2024 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Annual report and consolidated financial statements (the "Annual Report"), which comprise: the Consolidated and Limited Liability Partnership Balance Sheet as at 30 April 2024; the Consolidated Profit and Loss account, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Members' Interests, Limited Liability Partnership Statement of Changes in Members' Interests and the Consolidated Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Independent auditor's report to the members of CMS Cameron McKenna
Nabarro Olswang LLP (continued)
Year ended 30 April 2024**

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the LLP's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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

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

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

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

In preparing the financial statements, the members are responsible for assessing the group's and the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the group or the LLP or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report to the members of CMS Cameron McKenna
Nabarro Olswang LLP (continued)
Year ended 30 April 2024**

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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to SRA Regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of the profit available for distribution to members, through posting inappropriate journal entries and manipulating the valuation of the work-in-progress. Audit procedures performed by the engagement team included:

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

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

**Independent auditor's report to the members of CMS Cameron McKenna
Nabarro Olswang LLP (continued)
Year ended 30 April 2024**

Use of this report

This report, including the opinions, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Paul Cheshire (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh, United Kingdom
Date: 3 December 2024

Consolidated Profit and Loss Account
Year ended 30 April 2024

	Notes	2024 £'000	2023 £'000
Group turnover	3	730,431	687,755
Staff and related costs		(328,098)	(296,883)
Depreciation and amortisation	5	(12,673)	(11,669)
Other operating expenses		(155,076)	(154,630)
Group operating profit		234,584	224,573
Interest receivable and similar income	4	2,143	2,081
Interest payable and similar charges	4	(4,762)	(1,657)
Profit before taxation, members' remuneration and profit shares	5	231,965	224,997
Taxation on profit of the subsidiaries	8	(745)	(2,521)
Profit before members' remuneration and profit shares		231,220	222,476
Members' remuneration charged as an expense		(30,963)	(26,291)
Profit for the financial year available for discretionary division among members		200,257	196,185

All results relate to continuing activities.

Consolidated Statement of Comprehensive Income
Year ended 30 April 2024

	Note	2024 £'000	2023 £'000
Profit for the financial year available for discretionary division among members		200,257	196,185
Currency translation difference on foreign operations		(189)	(1,124)
Total remeasurement of the defined benefit asset	21	(6,599)	(18,071)
Total comprehensive income		<u>193,469</u>	<u>176,990</u>

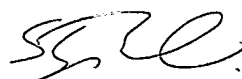
Consolidated Balance Sheet As at 30 April 2024

	Notes	2024 £'000	2023 £'000
Fixed assets			
Tangible assets	10	36,585	39,418
Subsidiary and related undertakings	11	973	-
External investments	12	420	424
		37,978	39,842
Current assets			
Debtors	13	380,010	349,352
Cash at bank and in hand		72,008	56,132
Retirement benefit assets	21	5,234	6,374
		457,252	411,858
Creditors: amounts falling due within one year	14	(161,346)	(128,563)
Net current assets		295,906	283,295
Total assets less current liabilities		333,884	323,137
Creditors: amounts falling due after more than one year	15	(29,461)	(23,016)
Provisions for liabilities	16	(5,573)	(12,405)
Retirement benefit liability	21	(1,443)	-
Net assets attributable to members		297,407	287,716
Represented by: Loans and other debts due to members within one year			
Members' capital classified as a liability		59,408	56,622
Other amounts		40,916	51,803
		100,324	108,425
Members' other interests			
Other reserves classified as equity		197,083	179,291
		297,407	287,716
Total Members' Interests			
Amounts due from members		(24,449)	(21,221)
Loans and other debts due to members		100,324	108,425
Other reserves		197,083	179,291
		272,958	266,495

The financial statements of CMS Cameron McKenna Nabarro Olswang LLP registered number OC310335, on pages 23 to 66 were approved by the members and authorised for issue and signed on their behalf on 3 December 2024 by:



R C Currier
Senior Partner



S S A Millar
Managing Partner

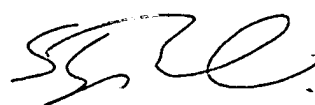
Limited Liability Partnership Balance Sheet
As at 30 April 2024

		2024	2023
		£'000	£'000
	Notes		
Fixed assets			
Tangible assets	10	30,170	32,976
Subsidiary and related undertakings	11	1,365	325
External investments	12	420	424
		<u>31,955</u>	<u>33,725</u>
Current assets			
Debtors	13	390,838	389,707
Cash at bank and in hand		51,452	32,360
Retirement benefit assets	21	5,234	6,374
		<u>447,524</u>	<u>428,441</u>
Creditors: amounts falling due within one year	14	(161,876)	(164,827)
Net current assets		<u>285,648</u>	<u>263,614</u>
Total assets less current liabilities		317,603	297,339
Creditors: amounts falling due after more than one year	15	(28,882)	(23,016)
Provision for liabilities	16	(5,143)	(11,959)
Retirement benefit liability	21	(1,443)	-
Net assets attributable to members		<u><u>282,135</u></u>	<u><u>262,364</u></u>
Represented by: Loans and other debts due to members within one year			
Members' capital classified as a liability		59,408	56,622
Other amounts		40,970	51,857
		<u>100,378</u>	<u>108,479</u>
Members' other interests			
Other reserves classified as equity		181,757	153,885
		<u><u>282,135</u></u>	<u><u>262,364</u></u>
Total Members' Interests			
Amounts due from members		(24,449)	(21,221)
Loans and other debts due to members		100,378	108,479
Other reserves		181,757	153,885
		<u><u>257,686</u></u>	<u><u>241,143</u></u>

The profit for the year available for discretionary division among members was £204,133,000 (2023: £185,789,000). The financial statements of CMS Cameron McKenna Nabarro Olswang LLP registered number OC310335, on pages 23 to 66 were approved by the members and authorised for issue and signed on their behalf on 3 December 2024 by



R C Currier
Senior Partner



S S A Millar
Managing Partner

**Consolidated statement of changes in members' interests
Year ended 30 April 2024**

	Other reserves £'000	Total members' other interests £'000	Members' capital classified as a liability £'000	Members' other amounts £'000	Total £'000
Members' interests at 1 May 2023	179,291	179,291	56,622	30,582	266,495
Members' remuneration charged as an expense	-	-	-	30,963	30,963
Profit for the financial year available for discretionary division among members	200,257	200,257	-	-	200,257
Members' interests after profit for the year	379,548	379,548	56,622	61,545	497,715
Currency translation difference on foreign operations	(189)	(189)	-	-	(189)
Remeasurement of net defined benefit asset	(6,599)	(6,599)	-	-	(6,599)
Members' interests after comprehensive income for the year	372,760	372,760	56,622	61,545	490,927
Allocation of profits and other reserves	(175,677)	(175,677)	-	175,677	-
Members' capital introduced	-	-	6,658	-	6,658
Members' capital repaid	-	-	(3,872)	-	(3,872)
Drawings and other payments to and on behalf of members	-	-	-	(212,310)	(212,310)
Amounts reclassified as amounts due to former members within creditors	-	-	-	(8,445)	(8,445)
Balance at 30 April 2024	197,083	197,083	59,408	16,467	272,958
Represented by:					
Amounts due to members				40,916	
Amounts due from members				(24,449)	
				<u>16,467</u>	

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

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

Limited Liability Partnership statement of changes in members' interests
Year ended 30 April 2024

	Other reserves £'000	Total members' other interests £'000	Members' capital classified as a liability £'000	Members' other amounts £'000	Total £'000
Members' interests at 1 May 2023	153,885	153,885	56,622	30,636	241,143
Members' remuneration charged as an expense	-	-	-	30,963	30,963
Profit for the financial year available for discretionary division among members	204,133	204,133	-	-	204,133
Members' interests after profit for the year	358,018	358,018	56,622	61,599	476,239
Currency translation difference on foreign operations	42	42	-	-	42
Remeasurement of net defined benefit asset/liability	(6,599)	(6,599)	-	-	(6,599)
Members' interests after comprehensive income for the year	351,461	351,461	56,622	61,599	469,682
Allocation of profits and other reserves	(175,677)	(175,677)	-	175,677	-
Members' capital introduced	-	-	6,658	-	6,658
Members' capital repaid	-	-	(3,872)	-	(3,872)
Drawings and other payments to and on behalf of members	-	-	-	(212,310)	(212,310)
Amounts reclassified as amounts due to former members within creditors	-	-	-	(8,445)	(8,445)
Reclassification of members' balances	-	-	-	-	-
Other movements	5,973	5,973	-	-	5,973
Balance at 30 April 2024	181,757	181,757	59,408	16,521	257,686

Represented by:

Amounts due to members	40,970
Amounts due from members	(24,449)
	<u>16,521</u>

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

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

Represented by:

Amounts due to members	51,857
Amounts due from members	(21,221)
	<u>30,636</u>

Consolidated Cash Flow Statement
For the year ended 30 April 2024

	Note	2024 £'000	2023 £'000
Net cash inflow from operating activities	18	242,368	202,180
Cash flows from investing activities			
Purchase of tangible fixed assets and investments		(14,097)	(14,869)
Interest received		1,287	1,430
Net cash flows used in investing activities		(12,810)	(13,439)
Cash flows from financing activities			
Payments to and on behalf of members		(212,786)	(210,741)
Capital contributions by members		6,658	7,554
Capital repayments to members		(3,872)	(4,375)
Amounts drawn under borrowing facilities		85,000	60,445
Amounts repaid under borrowing facilities		(85,000)	(78,837)
Interest paid		(4,762)	(1,657)
Net cash flows used in financing activities		(214,762)	(227,611)
Net increase (decrease) in cash and cash equivalents		14,796	(38,870)
Effect of foreign exchange rate changes		1,080	1,495
Cash and cash equivalents at beginning of year		56,132	93,507
Cash and cash equivalents at the end of the year		72,008	56,132
Cash and cash equivalents comprise:			
Cash at bank and in hand		72,008	56,132
Cash		72,008	56,132

Notes to the Financial Statements

Year ended 30 April 2024

1. Accounting policies

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

a. General information and basis of accounting

CMS Cameron McKenna Nabarro Olswang LLP ("the LLP") is incorporated in the United Kingdom under the Limited Liability Partnership Act 2000 and registered in England and Wales. The address of the registered office is given on page 1. The nature of the group's operations and its principal activities are set out in the members' report on pages 2 to 5.

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, in accordance with the Companies Act 2006 and the requirements of the Statement of Recommended Practice Accounting by Limited Liability Partnerships (effective 1 January 2019).

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

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

b. Basis of consolidation

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

c. Going concern

The Group is financed by members' capital and retained profits and has access to bank facilities to supplement these if required. The LLP had a Revolving Credit Facility Agreement of £150m which was signed in December 2022. On 21 November 2024 the facility was extended to December 2027 and the available facility amount was reduced to £100m. This facility is provided by Lloyds Bank plc, NatWest Bank plc and Santander UK plc and is unsecured. As set out in the Members' Report, the Group's policies on members' drawings and profit distribution incorporate consideration of the working capital needs of the business.

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

1. Accounting policies (continued)

c. Going concern (continued)

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

d. Tangible fixed assets

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

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

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

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

e. Financial instruments

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

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

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

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

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

f. Joint ventures and associates

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

1. Accounting policies (continued)

g. Impairment of assets

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

Non-financial assets

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

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

Financial assets

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

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

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

h. Taxation

The taxation payable on the LLP profits is the personal liability of the members, although payment of such liabilities is administered by the LLP on behalf of the members. Consequently, no taxation on the profits of the LLP nor related deferred taxation is accounted for in the financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members or set against amounts due from members as appropriate.

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

1. Accounting policies (continued)

h. Taxation (continued)

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

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

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

i. Members' interests

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

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

The members vote to approve the division of earned profit after the balance sheet date. As a result the balance of profit available for division among the members as at 30 April 2024 is included in members' other interests classified as equity. Drawings by members on account of profits for the year are included within amounts due from members.

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

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

1. Accounting policies (continued)

j. Turnover

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

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

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

k. Employee benefits

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

The LLP has two legacy defined benefit pension schemes:

- The amounts charged to operating profit are the costs arising from benefit changes, settlements and curtailments. The net interest cost on the net defined benefit liability is charged to profit or loss and included within finance costs.
- The defined benefit schemes are valued every three years by a qualified independent actuary who also prepares interim valuations at the balance sheet date. The assets of the schemes are held separately in trustee administered funds. The scheme operating and financing costs are charged to the profit and loss account in the year in which they arise and are recognised separately. Actuarial gains and losses, including changes in actuarial assumptions and the difference between actual and expected returns on assets during the year, are recognised immediately in other comprehensive income.

Where there is a surplus in one or more of the schemes arising by comparing the fair value of the schemes' assets with the present value of the obligations, then this asset is recognised in the balance sheet. As set out in the Trust Deeds and Rules the LLP has an unconditional right to a surplus and this view was confirmed by the schemes' actuary.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

1. Accounting policies (continued)

l. Foreign currency

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

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

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

m. Leases

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

n. Provisions

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

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

o. Annuities

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

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's and LLP's accounting policies, which are described in note 1, the members are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

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

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

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

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

- **Revenue recognition – accrued revenue**

The value of accrued revenue is derived on the basis of anticipated recovery levels in respect of unbilled time at year-end, having regard to the Group's accounting policy for revenue recognition. The key estimates relate to the value at which economic benefit will be ultimately realised for the unbilled revenue. A 1% variance in unbilled amounts would result in a change in revenue of £756,000 (2023 £741,000).

- **Actuarial assumptions**

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

3. Group Turnover

	2024	2023
	£'000	£'000
Group turnover		
United Kingdom	617,337	580,727
Outside United Kingdom	113,094	107,028
	<u>730,431</u>	<u>687,755</u>

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

4. Net finance costs

Interest receivable and similar income

	2024	2023
	£'000	£'000
Bank interest receivable	1,287	1,430
Net interest on defined benefit assets and liabilities	856	651
	2,143	2,081
	2,143	2,081

Interest payable and similar charges

	2024	2023
	£'000	£'000
Bank loans and overdrafts	(3,222)	(435)
Other interest and finance costs	(1,540)	(1,222)
	(4,762)	(1,657)
	(4,762)	(1,657)

Notes to the Financial Statements (continued)
Year ended 30 April 2024

5. Profit before taxation and members remuneration and profit shares

Profit on ordinary activities before taxation is stated after charging:

	Note	2024 £'000	2023 £'000
Depreciation of tangible fixed assets	10	12,673	11,669
Impairment of loans to joint ventures and associates	11	3,000	699
Impairment of external investments	12	102	102
Foreign exchange loss		918	1,017
Operating lease rentals			
Land and buildings		21,450	24,234
Office equipment		660	785
Motor vehicles		-	10
		<u> </u>	<u> </u>

The analysis of the auditor's remuneration is as follows:

	2024 £'000	2023 £'000
Fees payable to the LLP's auditor for the audit of the Limited Liability Partnership annual financial statements	282	262
Audit of subsidiaries	103	100
Total audit fees	<u>385</u>	<u>362</u>
Other services required pursuant to legislation	96	91
Total assurance services	<u>481</u>	<u>453</u>
Total non-audit fees	<u>-</u>	<u>-</u>
Total fees	<u>481</u>	<u>453</u>

No services were provided pursuant to contingent fee arrangements.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

6. Staff numbers and costs

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

	Group		LLP	
	2024 No.	2023 No.	2024 No.	2023 No.
Fee-earners	1,995	1,950	1,548	139
Support staff	1,601	1,501	1,186	166
	3,596	3,451	2,734	305

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

	Group		LLP	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Salaries	285,107	250,500	215,568	29,240
Social security costs	25,333	24,101	23,062	1,977
Pension costs	10,020	9,504	9,793	984
	320,460	284,105	248,423	32,201

7. Members' remuneration and transactions

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

	2024 No.	2023 No.
Average number of members	403	387

The highest remuneration of a member for the year was £1,458,000 (2023 – £1,302,000). This profit share includes an element from a performance related bonus pool and interest allocated on members' balances as this is regarded as an allocation of profits.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

8. Taxation on profit of the subsidiaries

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

	2024	2023
	£'000	£'000
Current tax on profit		
UK corporation tax	-	627
Foreign tax	1,058	2,159
Adjustments in respect of prior years		
UK corporation tax	-	-
Foreign tax	(313)	(265)
	<u>745</u>	<u>2,521</u>
Total tax on profit	<u>745</u>	<u>2,521</u>

The tax assessed for the year is lower (2023: higher) than the profit subject to taxation multiplied by the effective rate of corporation tax in the UK of 25% (19.5% in 2023) for the reasons set out in the following reconciliation:

	2024	2023
	£'000	£'000
Profit before tax	231,965	224,997
Less: amounts subject to personal tax	(223,376)	(213,281)
	<u>8,589</u>	<u>11,716</u>
Profit subject to corporate taxation	<u>8,589</u>	<u>11,716</u>
Tax on Group profit at standard UK corporation tax rate of 25% (2023 : 19.5%)	2,147	2,285
Factors affecting the charge for the year:		
- Losses in subsidiary undertakings not relieved	644	446
- (Income not taxable)/Expenditure not tax deductible	(1,034)	275
- Different tax rates in other jurisdictions	(699)	(220)
Adjustments to tax charge in respect of prior years	(313)	(265)
	<u>745</u>	<u>2,521</u>
Group total tax charge for year	<u>745</u>	<u>2,521</u>

The Group is within the scope of the OECD Pillar Two model rules which came into effect for accounting periods commencing on or after 31 December 2023 and is applicable to the Group for its next financial statements. Since the Pillar Two legislation was not effective at the reporting date, the Group has no related current tax exposure. The group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in amendments to FRS102 approved for issue by the Financial Reporting Council on 5 July 2023.

Under the legislation, the Group is liable to pay a top-up tax on adjusted jurisdictional profits for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

8. Taxation on profit of the subsidiaries (continued)

Based on the Pillar Two assessment undertaken by the Group using the relevant information for the year to 30 April 2023, the Group expects to be able to apply the transitional Country by Country safe harbour for most jurisdictions and expects the total amount of top up tax arising in relation to the remaining territories to be immaterial.

9. Profit of the limited liability partnership

The partnership has taken advantage of Section 408 of the Companies Act 2006 as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and has not included its own profit and loss account in these financial statements. Its own profit for the year available for discretionary division among members was £204,133,000 (2023: £185,789,000).

10. Tangible assets

GROUP	Leasehold improvements £'000	Furniture and equipment £'000	Total £'000
Cost			
At 1 May 2023	60,668	54,085	114,753
Additions	5,053	4,973	10,026
Disposals	(459)	(9,317)	(9,776)
At 30 April 2024	65,262	49,741	115,003
Accumulated Depreciation			
At 1 May 2023	37,455	37,880	75,335
Charge for the year	6,261	6,412	12,673
Disposals	(305)	(9,285)	(9,590)
At 30 April 2024	43,411	35,007	78,418
Net book value			
At 30 April 2024	21,851	14,734	36,585
At 30 April 2023	23,213	16,205	39,418

Included in Furniture and equipment there is capital work in progress of £2,379,000 (2023: £2,941,000).

Notes to the Financial Statements (continued)
Year ended 30 April 2024

10. Tangible assets (continued)

LLP

	Leasehold improvements £'000	Furniture and equipment £'000	Total £'000
Cost			
At 1 May 2023	54,075	46,632	100,707
Additions	3,928	4,282	8,210
Disposals	(10)	(8,952)	(8,962)
At 30 April 2024	<u>57,993</u>	<u>41,962</u>	<u>99,955</u>
Accumulated Depreciation			
At 1 May 2023	33,970	33,761	67,731
Charge for the year	5,611	5,406	11,017
Disposals	-	(8,963)	(8,963)
At 30 April 2024	<u>39,581</u>	<u>30,204</u>	<u>69,785</u>
Net book value			
At 30 April 2024	<u>18,412</u>	<u>11,758</u>	<u>30,170</u>
At 30 April 2023	<u>20,105</u>	<u>12,871</u>	<u>32,976</u>

Included in Furniture and equipment there is capital work in progress of £2,140,000 (2023: £2,318,000).

Notes to the Financial Statements (continued)
Year ended 30 April 2024

11. Subsidiaries and related undertakings

At 30 April 2024, the LLP had investments (direct and indirect) in the following entities. The results of the following entities have been consolidated within the group financial statements.

Name of entity	Address of the registered office	Activity	Proportion of ordinary shares or ownership
Aries CMS Holdco BV	Parnassusweg 737, 1077DG Amsterdam, Netherlands.	Provision of legal software	45%
BKP Sp. Zoo	Varso Tower, Chmielna 69, 00-801 Warsaw, Poland	Service company	100%
Cameron McKenna Solicitors (Australia) Pty Ltd	9 Nicklin Way, Minyama, Queensland, 4576, Australia	Legal services	100%
Cannon Place Holdings Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Holding company	100%
CMS Cameron McKenna Holdings Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Holding company	100%
CMS Cameron McKenna Nabarro Olswang LLP Lawyers and Legal Consultants	8006 al-rayyad 12329-2208 13 Riyadh Kingdom of Saudi Arabia	Legal services	100%
CMS Cameron McKenna Nabarro Olswang Services Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Service company	100%
CMS Cameron McKenna Nabarro Olswang Services (Brazil) Consultoria LTDA	Travessa do Ouvidor, 50, sala 501, Centro, Rio de Janeiro, RJ,20040-040	Service company	100%
CMS Cameron McKenna Nabarro Olswang Services Consultores Em Direito Estrangeiro	Travessa do Ouvidor, 50, sala 501, Centro, Rio de Janeiro, RJ,20040-040	Legal services/Dormant	100%
CMS Cameron McKenna EOOD	Landmark Centre 14 Tsar Osvoboditel Blvd. 1000 Sofia Bulgaria	Service Company	100%
CMS (Nominees) Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	Service Company	100%
CMS Tax srl	One Tower 165 Calea Floreasca District 1, 014459 Bucharest, Romania	Tax services	95%
CMS Cameron McKenna LLC	38 Volodymyrska Street 01054 Kyiv, Ukraine	Professional services	100%
Law Now Limited	Cannon Place, 78 Cannon Street, London EC4N 6AF	e-learning services	100%
Modular Services srl	One Tower 165 Calea Floreasca District 1, 014459 Bucharest, Romania	Support services	100%

Notes to the Financial Statements (continued)
Year ended 30 April 2024

11. Subsidiaries and related undertakings (continued)

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

Name of entity	Location of operation	Activity
CMS Cameron McKenna Nabarro Olswang LLP SCP	Romania	Legal services
CMS Cameron McKenna Nabarro Olswang Pośniak i Bejmi sp.k.	Poland	Legal services
CMS Cameron McKenna Nabarro Olswang (Ireland) LLP	Ireland	Legal services
CMS Cameron McKenna Nabarro Olswang (Singapore) LLP	Singapore	Legal services
CMS Sofia Lawyers Partnership	Bulgaria	Legal services
CMS (UAE) LLP	UAE	Legal services
CMS Cameron McKenna Nabarro Olswang, advokáti, v.o.s.	Czech Republic and Slovakia	Legal services
CMS Israel LLP	Israel	Legal services
Holborn Law LLC	Singapore	Legal services
Lau, Horton & Wise LLP in Association with CMS Hasche Sigle, Hong Kong LLP	Hong Kong	Legal services

The LLP has branches in Belgium, Bulgaria, China and Hungary,

The results of the following entities have not been consolidated in these financial statements.

Name of entity	Location of operation	Activity
Sharereporter Ltd	Cannon Place, 78 Cannon Street, London EC4N 6AF	Provision of employee share scheme software
Al Rashdi, Al Juma and Ewing Advocates and Legal Consultants in Association with CMS Cameron McKenna Nabarro Olswang LLP	Oman	Legal services
CMS Danışmanlık Hizmetleri Avukatlık Ortaklığı	Turkey	Legal Services
Babalioğlu Avukatlık Ortaklığı	Turkey	Legal Service

Notes to the Financial Statements (continued)
Year ended 30 April 2024

11. Subsidiaries and related undertakings (continued)

At 30 April 2024, the LLP had investments (either direct or indirect) in the following entities which were dormant throughout the financial year.

Name of entity	Country of registration	Status	Proportion of ordinary shares or ownership
Cameron McKenna Limited	England & Wales	Dormant	100%
Cameron Moshaveran Sepanta	Iran	Ceased trading July 2019	90%
CMS Law Alicante SLP	Spain	Dormant	100%
CMS LTF Limited – company limited by guarantee	England & Wales	Incorporated 22 December 2023. Dormant	5%
Dundas & Wilson LLP	England & Wales	Dormant	100%
Dundas & Wilson Staff Pension Trustee Limited	Scotland	Dormant	100%
Eagle Place Services Limited	England & Wales	Dormant	100%
Eagle Place Trustees Limited	England & Wales	Dormant	100%
Mitre Secretaries Limited	England & Wales	Dormant	100%
Nabarro LLP	England & Wales	Dormant	100%
Olswang Cossec Limited	England & Wales	Dormant	100%
Olswang LLP	England & Wales	Dormant	100%
Olswang Germany LLP	England & Wales	Dormant	100%
Olswang Services Limited	England & Wales	Subject to a proposal to strike off	100%
OMD Services Limited	England & Wales	Subject to a proposal to strike off	100%
Stratton Street Trustees Limited	England & Wales	Dormant	100%
TKB Registrars Limited	England & Wales	Dormant	100%
Twenty-Eight Nominees Limited	Scotland	Dormant	100%

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

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

11. Subsidiaries and related undertakings (continued)

GROUP

	Share of joint ventures and associates £'000	Total £'000
Cost		
At 1 May 2023	1,406	1,406
Additions	3,973	3,973
Disposals	-	-
At 30 April 2024	<u>5,379</u>	<u>5,379</u>
Accumulated Impairment		
At 1 May 2023	1,406	1,406
Impairment loss	3,000	3,000
At 30 April 2024	<u>4,406</u>	<u>4,406</u>
Net book value		
At 30 April 2024	<u>973</u>	<u>973</u>
At 30 April 2023	<u>-</u>	<u>-</u>

LLP

	Share of joint ventures and associates £000	Subsidiary undertakings £'000	Total £'000
Cost			
At 1 May 2023	1,406	325	1,731
Additions	3,973	67	4,040
Disposals	-	-	-
At 30 April 2024	<u>5,379</u>	<u>392</u>	<u>5,771</u>
Accumulated Impairment			
At 1 May 2023	1,406	-	1,406
Impairment loss	3,000	-	3,000
At 30 April 2024	<u>4,406</u>	<u>-</u>	<u>4,406</u>
Net book value			
At 30 April 2024	<u>973</u>	<u>392</u>	<u>1,365</u>
At 30 April 2023	<u>-</u>	<u>325</u>	<u>325</u>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

12. External investments

Group and LLP

	£'000
Cost	
At 1 May 2023	636
Additions	98
Disposals	-
	734
At 30 April 2024	734
Accumulated Impairment	
At 1 May 2023	212
Impairment	102
	314
At 30 April 2024	314
Carrying amount	
At 30 April 2024	420
	420
At 30 April 2023	424
	424

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

13. Debtors

	Group		LLP	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade debtors	248,209	237,533	221,110	210,174
Accrued income	48,347	49,595	42,879	43,499
Amounts owed by members	24,449	21,221	24,449	21,221
Amounts owed by group undertakings	-	-	42,045	79,799
Other debtors and prepayments	59,005	41,003	60,355	35,014
	<u>380,010</u>	<u>349,352</u>	<u>390,838</u>	<u>389,707</u>

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

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

	Group		LLP	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
30 days or less	150,807	148,399	135,185	134,490
31 to 90 days	59,094	50,671	53,210	44,785
91 to 180 days	18,916	18,528	16,833	15,628
181 to 270 days	12,235	12,141	11,045	9,982
271 to 365 days	6,944	5,813	5,944	4,389
More than 365 days	13,034	15,961	10,609	12,214
Less: expected credit loss	(12,821)	(13,980)	(11,716)	(11,314)
	<u>248,209</u>	<u>237,533</u>	<u>221,110</u>	<u>210,174</u>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

13. Debtors (continued)

Movements in the expected credit loss

	Group	LLP
	£'000	£'000
At 1 May 2023	13,980	11,314
Income statement:		
Charge for the financial year	8,878	8,889
Released unused during the financial year	(3,540)	(2,793)
Utilised during the financial year	(6,497)	(5,694)
	<u>12,821</u>	<u>11,716</u>
At 30 April 2024	<u>12,821</u>	<u>11,716</u>

14. Creditors: amounts falling due within one year

	Group		LLP	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	47,313	36,109	44,493	33,258
Corporation tax	1,119	974	263	-
Other Social security and other taxes	21,054	15,738	19,046	13,637
Rent free creditor	25,476	26,001	24,388	26,000
Other creditors	4,865	432	3,694	579
Amounts owed to former members	8,445	8,824	8,445	8,824
Accruals and deferred income	48,274	38,941	43,824	34,756
Accrual for former partner annuities and pension	3,265	-	2,934	-
Amounts owed to group undertakings	-	-	13,254	46,229
Operating lease incentive creditor	1,535	1,544	1,535	1,544
	<u>161,346</u>	<u>128,563</u>	<u>161,876</u>	<u>164,827</u>

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

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

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

The accrual for former partner annuities and pensions was previously disclosed as provisions. As these are known amounts they have been disclosed as creditors.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

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

	Group		LLP	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Accrual for former partner annuities and pension	8,195	-	7,616	-
Operating lease incentive creditor	21,266	22,803	21,266	22,803
Other creditors	-	213	-	213
	29,461	23,016	28,882	23,016

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

The accrual for former partner annuities and pensions was previously disclosed as provisions. As these are known amounts they have been disclosed as creditors.

16. Provisions for liabilities

Group	Property £'000	Legal claims £'000	Annuities £'000	Total £'000
At 1 May 2023	1,757	1,629	9,019	12,405
Transferred to accruals	-	-	(9,019)	(9,019)
Additions	3,127	1,743	-	4,870
Charge to profit and loss account	94	-	-	94
Utilisation of provision	(26)	(2,060)	-	(2,086)
Released unused	(302)	(389)	-	(691)
	4,650	923	-	5,573

Property

The provision for property is in respect of dilapidations £4,650,000 (2023 - £1,757,000). It is expected that the majority of this cash outflow will be incurred five years after the balance sheet date.

Legal claims

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

Annuities

The annuity provisions are in relation to former partners. As these amounts are a known amount they have been disclosed as creditors falling due within one year and after more than one year.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

16. Provisions for liabilities (continued)

LLP	Property £'000	Legal claims £'000	Annuities £'000	Total £'000
At 1 May 2023	1,312	1,629	9,018	11,959
Transferred to accruals	-	-	(9,018)	(9,018)
Additions	3,127	1,743	-	4,870
Charge to profit and loss account	94	-	-	94
Utilisation of provision	(26)	(2,060)	-	(2,086)
Released unused	(287)	(389)	-	(676)
	<hr/>	<hr/>	<hr/>	<hr/>
At 30 April 2024	4,220	923	-	5,143
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Property

The provision for property is in respect of dilapidations - £4,220,000 (2023 - £1,312,000). It is expected that the majority of this expenditure will be incurred five years after the balance sheet date.

Legal claims

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

Annuities

The annuity provisions are in relation to former partners. As these amounts are a known amount they have been disclosed as creditors falling due within one year and after more than one year.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

17. Financial instruments

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

	Notes	Group		LLP	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Financial assets					
Measured at amortised cost					
- Trade and other debtors	13	279,234	251,589	255,278	221,271
- Accrued income	13	48,347	49,595	42,879	43,499
- Amounts due from members	13	24,449	21,221	24,449	21,221
- Amounts due from group undertakings	13	-	-	42,022	79,799
- Cash at bank and in hand		72,008	56,132	51,452	32,360
		<u>424,038</u>	<u>378,537</u>	<u>416,080</u>	<u>398,150</u>
Financial liabilities					
Measured at amortised cost					
- Trade and other creditors	14	129,190	101,483	94,944	68,592
- Amounts due to former members	14	8,445	8,824	8,445	8,824
- Amounts due to group undertakings	14	-	-	13,255	46,229
		<u>137,635</u>	<u>110,307</u>	<u>116,644</u>	<u>123,645</u>

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

		Group		LLP	
		2024 £'000	2023 £'000	2024 £'000	2023 £'000
Interest income and expense					
Total interest income for financial assets at amortised cost	4	<u>1,287</u>	<u>1,430</u>	<u>1,110</u>	<u>1,279</u>
Total interest expense for financial liabilities at amortised cost	4	<u>3,222</u>	<u>435</u>	<u>3,222</u>	<u>435</u>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

18. Net cash inflow from operating activities

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

	2024	2023
	£'000	£'000
Profit for the financial year	200,257	196,185
Depreciation	12,673	11,669
Impairment loss	3,102	801
Loss on the disposal of tangible assets	186	-
Interest payable and similar charges	4,762	1,657
Interest receivable and similar income	(2,143)	(2,081)
Tax expense	745	2,521
Increase in debtors	(30,534)	(6,695)
Increase/decrease in creditors	39,534	(16,823)
Decrease in provisions	2,187	2,441
Contributions to defined benefit pension scheme	(3,160)	(4,160)
Amounts charged for annuity obligations	(6,744)	(4,566)
	<hr/>	<hr/>
Cash from operations	220,865	180,949
Tax paid	(1,015)	(1,146)
	<hr/>	<hr/>
Net cash generated from operating activities before transactions with members	219,850	179,803
Members remuneration charged as an expense	30,963	26,291
Payments to former members	(8,445)	(3,914)
	<hr/>	<hr/>
Net cash inflow from operating activities	242,368	202,180
	<hr/> <hr/>	<hr/> <hr/>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

19. Analysis of changes in net debt

	At 1 May 2023 £'000	Cash flows £'000	Other non-cash changes £'000	At 30 April 2024 £'000
Cash and cash equivalents				
Cash	56,132	14,796	1,080	72,008
	<u>56,132</u>	<u>14,796</u>	<u>1,080</u>	<u>72,008</u>
Borrowings				
Debt due within one year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net debt (before members' debt)	56,132	14,796	1,080	72,008
Loans and other debts due to members				
Members' capital	(56,622)	(2,786)	-	(59,408)
Other amounts due to members	(30,582)	5,671	8,445	(16,466)
	<u>(87,204)</u>	<u>2,885</u>	<u>8,445</u>	<u>(75,874)</u>
Total	<u><u>(31,072)</u></u>	<u><u>17,681</u></u>	<u><u>9,525</u></u>	<u><u>(3,866)</u></u>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

20. Financial commitments

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

	Group		LLP	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Operating lease payments in respect of land and buildings:				
Within one year	23,962	24,047	19,491	19,518
Between one and five years	84,089	85,458	72,834	74,326
After more than five years	178,680	198,732	171,114	189,098
	286,731	308,237	263,439	282,942

	Group		LLP	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Other operating lease payments:				
Within one year	507	544	463	504
Between one and five years	22	30	-	1
	529	574	463	505

At 30 April 2024 the Group and LLP had no capital commitments that were contracted but not provided for in the financial statements (2023 – nil).

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits

Defined contribution scheme

The cost of contributions to the Group's GPP Plan included in the profit and loss account for the year was £10,020,000 (2023 – £9,504,000).

Defined benefit schemes

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

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

The pension liabilities of the defined benefit schemes are assessed in accordance with the advice of an independent qualified actuary, Eamonn Trainor of Isio Group Limited. The last completed full actuarial valuations were performed as at 30 April 2023. The method used to determine pension liabilities for the defined benefit scheme is the projected unit method. Assets are measured at market value and the liabilities are discounted at the rate of return available at the balance sheet date on high corporate bonds.

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

In June 2023, the High Court judged that amendments made to the Virgin Media scheme were invalid because the scheme's actuary did not provide the associated Section 37 certificate. The High Court's decision has wide ranging implications, affecting other schemes that were contracted-out on a salary-related basis, and made amendments between April 1997 and April 2016. The Schemes were contracted out until 5 April 2016 and amendments were made during the relevant period. As such the ruling could have implications for the Firm. Following the Court of Appeal upholding the 2023 High Court ruling on 25 July 2024, the Trustees initiated the process of investigating any potential impact for the Fund.

As the detailed investigation is in progress, the Firm considers that the amount of any potential impact on the defined benefit obligation cannot be confirmed and/or measured with sufficient reliability at the 2024 year end. We are therefore disclosing this issue as a potential contingent liability at 30 April 2024 and will review again in 2025 based on the findings of the detailed investigation.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)**Summary of amounts recognised in the statement of comprehensive income**

	2024	2023
	£'000	£'000
Total remeasurement of the net defined benefit asset recognised in the statement of comprehensive income – legacy CMS Cameron McKenna	(4,493)	(7,510)
Total remeasurement of the net defined benefit asset recognised in the statement of comprehensive income – legacy Nabarro LLP	(2,106)	(10,561)
	<u>(6,599)</u>	<u>(18,071)</u>

	2024	2023
	£'000	£'000
Legacy CMS Cameron McKenna	(1,443)	2,112
Legacy Nabarro LLP	5,234	4,262
	<u>3,791</u>	<u>6,374</u>

Defined benefit scheme – legacy CMS Cameron McKenna

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

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

The contributions to the defined benefit pension scheme are determined with the advice of an independent, qualified actuary on the basis of triennial valuations using the projected unit method. The scheme is funded and the assets are held in a separately-administered fund. The Group made employer contributions of £660,000 (2023: £660,000) during the year. It is expected that the Group will contribute £750,000 to the scheme in the year ending 30 April 2025.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)

The amounts recognised in the balance sheet are as follows:

	2024	2023
	£'000	£'000
Present value of funded obligations	(30,414)	(29,573)
Fair value of plan assets	28,971	31,685
	<u>(1,443)</u>	<u>2,112</u>
(Deficit)/Surplus in the pension scheme recognised in the balance sheet	<u>(1,443)</u>	<u>2,112</u>

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

	2024	2023
	£'000	£'000
Recognised within net finance costs:		
Interest expense on pension scheme obligations	(1,411)	(1,113)
Interest income on scheme assets	1,531	1,384
	<u>120</u>	<u>271</u>
Net interest income	<u>120</u>	<u>271</u>

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

	2024	2023
	£'000	£'000
Return on assets, excluding interest income on pension scheme assets	(2,726)	(15,472)
Actuarial (loss)/gain on pension scheme liabilities	(1,767)	7,962
	<u>(4,493)</u>	<u>(7,510)</u>
Total remeasurement of the net defined benefit asset recognised in the statement of comprehensive income	<u>(4,493)</u>	<u>(7,510)</u>
Cumulative actuarial (loss) recognised in the statement of comprehensive income	<u>(10,417)</u>	<u>(5,924)</u>

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

	2024	2023
	£'000	£'000
Opening defined benefit obligation	29,573	37,793
Interest cost	1,411	1,113
Actuarial loss/(gain)	1,767	(7,962)
Settlement gains	(158)	-
Benefits paid	(2,179)	(1,371)
	<u>30,414</u>	<u>29,573</u>
Closing defined benefit obligation	<u>30,414</u>	<u>29,573</u>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)

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

	2024	2023
	£'000	£'000
Opening fair value of scheme assets	31,685	46,484
Interest income	1,531	1,384
Return on assets, excluding interest income	(2,726)	(15,472)
Contributions by the employer	660	660
Benefits paid	(2,179)	(1,371)
	<u>28,971</u>	<u>31,685</u>

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

	2024	2023
	%	%
Discount rate	5.25%	4.95%
Inflation (RPI)	3.35%	3.20%
Inflation (CPI)	2.85%	2.60%
Rate of increase in pension in payments:		
Fixed 3%	3.00%	3.00%
Inflation (RPI) min 3% max 5%	3.80%	3.79%
Inflation (RPI) max 2.5%	1.94%	1.83%
Inflation (CPI) max 3%	2.16%	1.96%

At 30 April 2024, the actuarial valuations assume that mortality of scheme participants will be in line with the nationally-published 104% S3PxA mortality base table using CMI 2022 with long range annual mortality improvement of 1.25% (2023 – CMI2021 1.25%).

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

		2024	2023
Current pensioners	- Males	21.1	21.5
(Currently aged 65)	- Females	23.7	24.0
Future pensioners	- Males	22.4	22.8
(Currently aged 45)	- Females	25.1	25.4

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)

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

	2024	2023
	£'000	£'000
Cash and swaps	(74)	(1,717)
Multi-asset and alternatives	8,840	8,303
Gilts	14,006	16,760
Property	459	853
Bonds	5,740	7,472
Currency hedge	-	14
	<u>28,971</u>	<u>31,685</u>
Total market value of scheme assets	<u>28,971</u>	<u>31,685</u>

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

Defined benefit scheme – legacy Nabarro LLP

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

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

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

As part of the recovery plan, the Group agreed to pay £2,850,000 per annum from 1 May 2022 until 30 April 2023, followed by £2,500,000 per annum from 1 May 2023 to 30 April 2024, and £3,000,000 per annum from 1 May 2024 to 30 April 2026.

The estimated amount of contributions to be paid into the scheme during the financial year to 30 April 2025 is £3,000,000, representing the amount required under the recovery plan.

The amounts recognised in the balance sheet are as follows:

	2024	2023
	£'000	£'000
Present value of funded obligations	(77,688)	(82,266)
Fair value of plan assets	82,922	86,528
	<u>5,234</u>	<u>4,262</u>
Surplus in the pension scheme and liability recognised in the balance sheet	<u>5,234</u>	<u>4,262</u>

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)

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

	2024	2023
	£'000	£'000
Interest expense on pension scheme obligations	(3,987)	(3,252)
Interest income on scheme assets	4,259	3,632
	<u>272</u>	<u>380</u>
Net interest income	<u>272</u>	<u>380</u>

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

	2024	2023
	£'000	£'000
Return on assets, excluding interest income on pension scheme assets	(6,895)	(38,750)
Actuarial gain on pension scheme liabilities	4,789	28,189
	<u>(2,106)</u>	<u>(10,561)</u>
Total remeasurement of the net defined benefit asset recognised in the statement of comprehensive income	<u>(2,106)</u>	<u>(10,561)</u>

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

	2024	2023
	£'000	£'000
Opening defined benefit obligation	82,266	109,556
Interest cost	3,987	3,252
Actuarial gain	(4,789)	(28,189)
Settlement gains	(306)	-
Benefits paid	(3,470)	(2,353)
	<u>77,688</u>	<u>82,266</u>
Closing defined benefit obligation	<u>77,688</u>	<u>82,266</u>

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

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)

	2024	2023
	£'000	£'000
Opening fair value of scheme assets	86,528	120,499
Return on assets, excluding interest income	(6,895)	(38,750)
Interest income	4,259	3,632
Contributions by the employer	2,500	3,500
Benefits paid	(3,470)	(2,353)
	<u>82,922</u>	<u>86,528</u>

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

	2024	2023
	%	%
Discount rate	5.25%	4.95%
Inflation (RPI)	3.40%	3.20%
Inflation (CPI)	3.10%	2.85%

Rate of increase in pension in payments:

	2024	2023
Fixed 5%	5.00%	5.00%
Inflation (CPI) max 5%	2.91%	2.72%
Inflation (CPI) max 3%	2.25%	2.06%
Inflation (CPI) min 3% max 5%	3.66%	3.66%
Inflation (CPI) min 3.5% max 5%	3.93%	3.94%

At 30 April 2024, the actuarial valuations assume that mortality of scheme participants will be in line with the nationally-published 110% S3PxA mortality base table using CMI 2022 with long range annual mortality improvement of 1.25% (2023 – CMI 2021 1.25%).

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

		2024	2023
Current pensioners	- Males	25.2	25.7
(Currently aged 60)	- Females	28.1	28.5
Future pensioners	- Males	26.8	27.2
(Currently aged 40)	- Females	29.6	30.0

Notes to the Financial Statements (continued)
Year ended 30 April 2024

21. Employee benefits (continued)

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

	2024	2023
	£'000	£'000
Bonds	16,423	18,582
Cash and swaps	(2,938)	(5,672)
Currency hedge	-	41
Property	1,628	2,777
Multi Asset and alternatives	32,234	31,645
Gilts	35,575	39,155
	<u>82,922</u>	<u>86,528</u>
Total market value of scheme assets	<u>82,922</u>	<u>86,528</u>

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

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

22. Contingent liabilities

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

As at 30 April 2023, Aries CMS Holdco BV had a loan facility of €9.75m of which €9.75m was drawn down. The loan was guaranteed by the LLP albeit with recourse to CMS Legal and other member firms for approximately 55% of the amount. This loan has been repaid during the year so there is no contingent liability at 30 April 2024.

As disclosed in Note 21, in June 2023, the High Court judged that amendments made to the Virgin Media pension scheme were invalid because the scheme's actuary did not provide the associated Section 37 certificate. The High Court's decision has wide ranging implications. A detailed investigation within the Firm is in progress assessing any potential impact of this decision.

Notes to the Financial Statements (continued)
Year ended 30 April 2024

23. Related party transactions

The total remuneration for key management personnel in the year was £5,677,000 (2023 - £5,373,000).

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

24. Controlling party

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