

Conversion of Hackett Griffey to Hackett Griffey LLP

What is happening and when?

On 1 April 2010 Hackett Griffey converted from a partnership to a limited liability partnership (LLP). This was achieved by transferring the business of the partnership to Hackett Griffey LLP.

What is an LLP?

An LLP is a body corporate with its own legal personality and its own assets and liabilities distinct from those of its members. It is owned by its members (also known as principals) in place of equity partners.

It is like a limited company but operates with a partnership type structure, which is more appropriate for professional firms.

An LLP is required to file accounts and annual returns with Companies House and its principals are not personally liable for its debts.

Why has Hackett Griffey converted to LLP status?

Many UK accounting and legal firms now practice as limited liability partnerships, and this is very much the route for professional firms to go.

It has only been possible to form an LLP since 2000, some time after our firm started. As a brand new legal structure the law was very new and we did not want to jump in straight away.

We believe that conversion to an LLP provides us with the most appropriate and modern structure in which to operate our business. This in turn means that we will continue to provide high-calibre client service.

Why do you want limited liability?

The reason that LLP's were invented was because with an unincorporated partnership, all the partners have joint and several liability for each other's actions, which is not the case with an LLP. With the unattractive prospect of being liable for the actions of your business partners it can be difficult for an unincorporated partnership to recruit talented individuals into the firm, something which an LLP avoids.

Also there have been some changes in the law in recent years such that in certain circumstances accountancy firms can be made liable for the PAYE and other tax debts of their clients. Clearly we find this completely unacceptable.

What does conversion mean for me?

As from 1 April 2010 the partnership ceased to practice and the LLP acts in its place.

The conversion has no impact upon the service you receive from us. You will continue to receive the same level of client service from the same individuals.

What changes have been made to Hackett Griffey's terms and conditions?

As from 1 April 2010 the former partners of Hackett Griffey are referred to as principals or members of Hackett Griffey LLP.

Your engagement will now be with the LLP (as a separate legal person) instead of the partnership.

Data Protection

As from 1 April 2010 Hackett Griffey LLP has assumed the rights and obligations of Data Controller of all personal data previously held by Hackett Griffey.

What if I have further questions?

You should speak to your usual Hackett Griffey contact.