

Company registration number 09099295 (England and Wales)

**FL 360 LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2023**



**LB GROUP**  
**The Octagon Suite E2**  
**2nd Floor Middleborough**  
**Colchester**  
**Essex**  
**CO1 1TG**

# FL 360 LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr G Pulford
<b>Company number</b>	09099295
<b>Registered office</b>	Speed Medical House 16 Eaton Avenue Matrix Park Chorley Lancashire PR7 7NA
<b>Auditor</b>	LB Group (Colchester) The Octagon Suite E2 2nd Floor Middleborough Colchester Essex CO1 1TG

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# FL 360 LIMITED

## CONTENTS

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	<b>Page</b>
Strategic report	1 - 3
Director's report	4 - 5
Director's responsibilities statement	6
Independent auditor's report	7 - 10
Group statement of comprehensive income	11
Group balance sheet	12
Company balance sheet	13
Group statement of changes in equity	14
Company statement of changes in equity	15
Group statement of cash flows	16
Notes to the financial statements	17 - 40

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# **FL 360 LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 MAY 2023**

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The Director presents this Group Strategic Report together with the audited financial statements for the year ended 31 May 2023.

#### **Review of the business**

The Consolidated Statement of Comprehensive Income on page 11 shows Group turnover of £97,640,080, an increase of 75.5% in the year (2022 - £55,633,511). The gross profit in the year ended 31 May 2023 was £34,889,215 (2022 Restated - £20,940,655) with profit before tax of £2,031,229 (2022 - £815,566).

The significant increase in revenues is attributed to a full year of trading from the acquisitions made towards the end of year ended 31 May 2022 as well as growth within the existing portfolio of businesses and the maturing of start-up businesses. The acquisition of IPRS Group in April 2022 represented the most significant acquisition the group has made to date. The acquisition complemented the previous portfolio of services offered by the group, particularly in rehabilitation and mental health services, as well as bringing new complimentary services in relation to personal capacity assessments and clinically led specialist medical services for organisations within both public and private sectors. This acquisition was part of a continued strategy to diversify the Group away from historic core markets, including medico-legal evidence and associated medical services in relation to road traffic accidents, where legislative changes have significantly impacted the market size. The increase is considered to be extremely pleasing given market conditions and the general economic climate during the year.

#### **Principal risks and uncertainties**

The MedCo system introduced in April 2015 has adversely affected the Group's ability to compete on the basis of quality of service provision. The legislative changes introduced by the Ministry of Justice in relation to the level of compensation payable where the predominant injury was one of a soft tissue nature also had a material impact upon the size of the market. The Group therefore has to continue to preserve and grow market share by increasing in non-MedCo regulated services and by diversifying its range of products and services through both existing businesses and acquisition.

The level of working capital is a continuing risk for the Group. The Group continues to address this risk by reducing its level of borrowing and increasing sales in products with shorter debt collection profiles.

#### **Credit risk**

The Group's principal financial asset is trade debtors. In order to manage credit risk the Director sets limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. The Group continues to seek new sources of referrals to diversify its portfolio of customers and hence dilute individual customer credit risk to the business.

The credit terms agreed with some customers within the historic core markets of the Group can typically be greater than one year due to the timescales involved in settling the underlying cases which results in a significant level of working capital being absorbed by the business. The proportion of such contracts has reduced during the year as a result of the acquisitions, diversification into new products and markets by the original subsidiary undertakings and start-up businesses. The Group's credit risk is therefore considered to have been significantly reduced over the last few years.

#### **Liquidity risk**

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by invoice financing arrangements.

#### **Interest rate and cash flow risk**

The Group finances its operations through bank borrowings. The Group exposure regarding interest rate fluctuations on its borrowings is managed by the use of fixed rate facilities on fixed asset acquisitions wherever possible to ensure certainty of cash flows. Facilities subject to invoice discounting can be managed by reducing trading activity and significant positive cash flows would result owing to the debtor days cycle supporting these facilities.

# **FL 360 LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 31 MAY 2023**

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#### **Key performance indicators**

The day to day key performance indicators of the business are monitored and measured and include the following categories:

- New instructions received and accepted
- Number of instructions issued/appointments booked;
- Number of expert witness reports received;
- Level of cash received and time taken to collect

#### **Future developments**

The Group continues with its plan of growing its market share and strong sales by continuing to offer excellent levels of service. Acquisitions form a key part of that strategy, allowing the group to strengthen its relationships with large corporate customers by increasing the range and depth of allied services it provides.

The change in the legislation in respect of road traffic personal injury claims is considered to be a reduced threat to the Group as it has and continues to diversify away from this type of work both via acquisition and by new services within its existing brands.

The Group will continue to win new business from its competitors by providing unrivalled service to its customers through the use of sophisticated information technology systems, good customer service by retaining experienced staff and by offering new services where it can profitably do so.

The Group continues its policy of investing in its current portfolio of businesses to facilitate their success. Acquisitions will continue to be made where they can add to the strength and resilience of the Group by enhancing and diversifying the product range and customer base. The Group will continue to invest in its startup businesses where appropriate.

#### **Section 172 Statement**

The Director is aware of and considers he has acted in accordance with his statutory duties under s172(1) of the Companies Act 2006. In accordance with these duties, the Director has acted in good faith, seeking to promote the long-term success of the Group for the benefit of its shareholders and in order to do so has had regard to their duties in respect of;

- The likely consequences of any decisions in the long-term;
- The interests of the Group's employees;
- The need to foster the Group business relationships with suppliers, customers and others;
- The impact of the Group's operations on the community and environment;
- The desirability of the Group maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the Group.

The Director acknowledges his responsibility to exercise his duty in a way which promotes the success of the company for the benefit of all of its stakeholders. He has evaluated the key stakeholders and how engagement with them has occurred during the year.

Our colleagues are key to the delivery of our services and therefore to the long term success of the business. It is imperative that we keep them engaged and motivated. Regular communication with staff takes place at all of the operating units through team meetings and training, as well as developing and enhancing the organisational culture through updates and emails throughout the year.

## FL 360 LIMITED

### STRATEGIC REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MAY 2023

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The Director recognises that securing new customers and maintaining long term client relationships with existing customers is vital to the success of the business. Our teams have communication with customers to ensure we are meeting their requirements. Larger customers are serviced at business unit level by directors and senior managers.

The main suppliers to our businesses are medical and other experts in their field either by delivering expert witness or treatment services. Relationships with suppliers are developed through daily business activities. Clinical governance is extremely important to us and we are supported by independent clinical advisory panels at business units where appropriate.

It is critical that shareholders and lenders have confidence in the management and operating of the business and its long term strategic objectives. Lenders are kept up to date with the Group's financial performance via regular reports.

The Director considers that this has been a normal trading year and there have been no major decisions that impacted on stakeholders where additional engagement was considered necessary.

On behalf of the board

*Graham Pulford*

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Mr G Pulford

**Director**

Date: 09/02/2024

# **FL 360 LIMITED**

## **DIRECTOR'S REPORT**

### **FOR THE YEAR ENDED 31 MAY 2023**

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The director presents his annual report and financial statements for the year ended 31 May 2023.

#### **Principal activities**

The principal activity of the Group during the year were the provision of expert witness reports, rehabilitation services, injury case management and credit hire and repair of vehicles.

The principal activity of the Company is as a portfolio holding company.

#### **Results and dividends**

The results for the year are set out on page 11.

A dividend of £Nil (2022- £1,000,000) was paid during the year.

#### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr G Pulford

#### **Going concern**

The Group's financial statements have been prepared on a going concern basis which the Director considers to be appropriate for the reasons set out below.

In determining whether the Group's financial statements for the year ended 31 May 2023 can be prepared on a going concern basis, the director has considered all factors likely to affect the future development, performance and financial position, including cash flows, liquidity position and borrowing facilities and the risks and uncertainties relating to its various business activities in the current economic climate. The projections have also taken into account the current economic climate of significant inflationary pressures faced by the UK economy as a whole.

The Group utilises short term borrowing, mainly in the form of an invoice discounting facility but complemented by small overdraft facilities at two group companies. At no point during the year ended 31 May 2023 nor, on the basis of budget and cash flow projections for a period covering more than the next 12 months after the date of these accounts, are any of the covenants relating to these facilities expected to be breached.

The Director has prepared detailed budgets and cash flows based on the circumstances known at the time of their preparation for a period beyond the next twelve months. The assumptions used have then been flexed so as to stress test the budgets to enable the Director to confirm his belief that the group can remain as a going concern.

#### **Disabled persons**

The Group is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

#### **Engagement with employees**

During the year, the policy of providing employees with information about the Group has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the Company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

# FL 360 LIMITED

## DIRECTOR'S REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MAY 2023**

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### **Engagement with suppliers, customers and others**

We rely on suppliers to source and support the products and services we sell. The Directors at each Group trading company are actively involved in discussions with key suppliers to ensure service quality, clinical governance where applicable and value for money.

Our customers are key to the continued existence and growth of the business and the Directors at each group business obtain and act promptly upon customer feedback provided through a variety of means.

### **Qualifying third party indemnity provisions**

Directors' and officers' insurance cover has been established for the Director to provide appropriate cover for their reasonable actions on behalf of the Group. The insurance was in force throughout the financial year ended 31 May 2023 and remains in force for all of the current and past Directors of the Group.

### **Auditor**

The auditor, LB Group (Colchester), is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Energy and carbon report**

No individual companies within the group are classified as large companies and therefore the group are not required to report on its emissions, energy consumption or energy efficiency activities.

### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

### **Matters covered in the strategic report**

Disclosures required under S416(4) of the Companies Act 2006 are commented upon in the Strategic Report in accordance with S414C(11) as the Director considers them to be of strategic importance to the Group.

On behalf of the board

*Graham Pulford*

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Mr G Pulford

**Director**

Date: 09/02/2024



# **FL 360 LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

### ***FOR THE YEAR ENDED 31 MAY 2023***

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The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

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

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# FL 360 LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FL 360 LIMITED

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### Opinion

We have audited the financial statements of FL 360 Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. *The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).*

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### Other information

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

We have nothing to report in this regard.

# **FL 360 LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FL 360 LIMITED**

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### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is responsible for assessing the parent company'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 director either intends to liquidate the parent company or to cease operations, or has no realistic alternative but to do so.

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

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

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

## **FL 360 LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FL 360 LIMITED**

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Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the health services sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Tested a sample of revenue recognised either side of the period for cut off
- Reviewed the internal controls in place, specifically around payroll and bank transactions; and
- Assessed whether judgements and assumptions made in determining the accounting estimates around depreciation, accruals and accrued income were indicative of potential bias.
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC and the company's legal advisors.

# FL 360 LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF FL 360 LIMITED

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There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

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

*Shaun Roberts*

**Shaun Roberts (Senior Statutory Auditor)**  
**For and on behalf of LB Group (Colchester)**

Date: 09/02/2024

**Chartered Accountants**  
**Statutory Auditor**

The Octagon Suite E2  
2nd Floor Middleborough  
Colchester  
Essex  
CO1 1TG

## FL 360 LIMITED

### GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£
<b>Turnover</b>	<b>3</b>	97,640,080	55,633,511
Cost of sales		(62,750,865)	(34,692,856)
<b>Gross profit</b>		34,889,215	20,940,655
Administrative expenses		(31,766,701)	(19,735,498)
Other operating income		109,957	131,940
<b>Operating profit</b>	<b>4</b>	3,232,471	1,337,097
Interest receivable and similar income	<b>8</b>	1,033,520	708,667
Interest payable and similar expenses	<b>9</b>	(2,244,393)	(1,230,198)
<b>Profit before taxation</b>		2,021,598	815,566
Tax on profit	<b>10</b>	(895,116)	(601,279)
<b>Profit for the financial year</b>	<b>25</b>	1,126,482	214,287
<b>Profit for the financial year is attributable to:</b>			
- Owners of the parent company		892,471	67,931
- Non-controlling interests		234,011	146,356
		1,126,482	214,287

There was no other comprehensive income for 2023 (2022 - £Nil).

# FL 360 LIMITED

## GROUP BALANCE SHEET

AS AT 31 MAY 2023

		2023			
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	12		16,026,418		19,405,187
Other intangible assets	12		1,245,424		606,270
Total intangible assets			17,271,842		20,011,457
Tangible assets	13		3,525,253		3,158,861
			20,797,095		23,170,318
<b>Current assets</b>					
Stocks	16	1,114,948		772,024	
Debtors	17	77,837,351		68,129,372	
Cash at bank and in hand		2,408,415		2,356,929	
			81,360,714		71,258,325
<b>Creditors: amounts falling due within one year</b>	18	(60,817,246)		(52,569,671)	
<b>Net current assets</b>			20,543,468		18,688,654
<b>Total assets less current liabilities</b>			41,340,563		41,858,972
<b>Creditors: amounts falling due after more than one year</b>	19		(8,426,767)		(10,125,271)
<b>Provisions for liabilities</b>					
Deferred tax liability	22	416,895		363,282	
			(416,895)		(363,282)
<b>Net assets</b>			32,496,901		31,370,419
<b>Capital and reserves</b>					
Called up share capital	24		100		100
Other reserves	25		4,445,353		4,445,353
Profit and loss reserves	25		24,526,602		23,634,131
<b>Equity attributable to owners of the parent company</b>			28,972,055		28,079,584
<b>Non-controlling interests</b>			3,524,846		3,290,835
			32,496,901		31,370,419

The financial statements were approved and signed by the director and authorised for issue on 09/02/2024

Graham Pulford

Mr G Pulford

Director

Company registration number 09099295 (England and Wales)

# FL 360 LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MAY 2023

		2023			
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		1,074,068		1,058,831
Investments	14		24,473,919		25,775,734
			<u>25,547,987</u>		<u>26,834,565</u>
<b>Current assets</b>					
Debtors	17	17,465,584		17,492,418	
Cash at bank and in hand		32,062		28,819	
		<u>17,497,646</u>		<u>17,521,237</u>	
<b>Creditors: amounts falling due within one year</b>	18	(41,619,314)		(41,024,859)	
<b>Net current liabilities</b>			<u>(24,121,668)</u>		<u>(23,503,622)</u>
<b>Total assets less current liabilities</b>			1,426,319		3,330,943
<b>Creditors: amounts falling due after more than one year</b>	19		(336,023)		(2,410,233)
<b>Provisions for liabilities</b>					
Deferred tax liability	22	61,004		67,730	
		<u>61,004</u>	<u>(61,004)</u>	<u>67,730</u>	<u>(67,730)</u>
<b>Net assets</b>			<u>1,029,292</u>		<u>852,980</u>
<b>Capital and reserves</b>					
Called up share capital	24		100		100
Profit and loss reserves	25		1,029,192		852,880
<b>Total equity</b>			<u>1,029,292</u>		<u>852,980</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £176,312 (2022 - £1,028,844 profit).

The financial statements were approved and signed by the director and authorised for issue on 09/02/2024

Graham Pulford

Mr G Pulford  
Director

Company registration number 09099295 (England and Wales)



OF CHANGES IN EQUITY

ED 31 MAY 2023

	Notes	Share capital £	Merger reserve £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
		100	4,445,353	24,566,200	29,011,653	2,924,821	31,936,474
/e income		-	-	67,931	67,931	146,356	214,287
	11	-	-	(1,000,000)	(1,000,000)	-	(1,000,000)
		-	-	-	-	219,658	219,658
		100	4,445,353	23,634,131	28,079,584	3,290,835	31,370,419
/e income		-	-	892,471	892,471	234,011	1,126,482
		100	4,445,353	24,526,602	28,972,055	3,524,846	32,496,901

# FL 360 LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2023

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 June 2021</b>		100	824,036	824,136
<b>Year ended 31 May 2022:</b>				
Profit and total comprehensive income for the year		-	1,028,844	1,028,844
Dividends	11	-	(1,000,000)	(1,000,000)
<b>Balance at 31 May 2022</b>		100	852,880	852,980
<b>Year ended 31 May 2023:</b>				
Profit and total comprehensive income		-	176,312	176,312
<b>Balance at 31 May 2023</b>		100	1,029,192	1,029,292

# FL 360 LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£	£	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	32		1,225,345		(1,007,808)
Income taxes paid			(596,193)		(716,847)
<b>Net cash inflow/(outflow) from operating activities</b>			629,152		(1,724,655)
<b>Investing activities</b>					
Purchase of intangible assets		(615,565)		(353,935)	
Proceeds from disposal of intangibles		-		74,749	
Purchase of tangible fixed assets		(1,010,222)		(431,962)	
Proceeds from disposal of tangible fixed assets		80,067		-	
Purchase of subsidiaries, net of cash acquired		(1,351,042)		(10,835,672)	
Interest received		4,073		264	
<b>Net cash used in investing activities</b>			(2,892,689)		(11,546,556)
<b>Financing activities</b>					
Repayment of loans		(830,512)		(57,643)	
Payment of finance leases obligations		(53,043)		(13,051)	
Interest paid		(1,102,278)		(194,504)	
Dividends paid to equity shareholders		-		(1,000,000)	
<b>Net cash used in financing activities</b>			(1,985,833)		(1,265,198)
<b>Net decrease in cash and cash equivalents</b>			(4,249,370)		(14,536,409)
Cash and cash equivalents at beginning of year			(16,894,201)		(2,357,792)
<b>Cash and cash equivalents at end of year</b>			(21,143,571)		(16,894,201)
<b>Relating to:</b>					
Cash at bank and in hand			2,408,415		2,356,929
Bank overdrafts included in creditors payable within one year			(23,551,986)		(19,251,130)

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

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### 1 Accounting policies

#### Company information

FL 360 Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of FL 360 Limited and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The Company's functional and presentational currency is Pound Sterling. All amounts presented are rounded to the nearest pound.

#### Parent Company reduced disclosure exemptions:

In preparing the financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions under FRS 102:

- A cash flow statement or net debt reconciliation have not been prepared for the Parent Company
- Disclosures in respect of the Parent Company transactions with it wholly owned subsidiaries;
- Disclosure has not been given for the aggregate remuneration of the key management personnel of the Parent Company as their remuneration is included in the total for the Group as a whole.

#### 1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company FL 360 Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

All financial statements are made up to 31 May 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102. Therefore, the Group continues to recognise a merger reserve which arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time.

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

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### 1 Accounting policies

(Continued)

#### 1.3 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report.

The credit terms agreed with solicitor customers are predominantly that they must remit monies owed on settled cases within 14 days of receipt and in accordance with Solicitors Regulation Authority, Solicitors Accounts Rules. As such all debt is considered due in less than one year. However, the credit terms agreed with customers upon which they have to pay debt outstanding irrespective of whether the case has settled or not, can typically be greater than one year due to the timescale involved in settling the underlying cases which results in significant levels of working capital being absorbed into the business.

The Group's forecasts and projections, taking account of reasonably possible changes in trading performance and cash collection profile together with other means of managing cash outflows, show that the Group should be able to operate within the level of its current loans and facility.

The Group's forecasts cover a period of at least 12 months from the date of signing these financial statements and the forecasts do not indicate that the Group will breach the covenants in place for its current facility.

After making enquiries, the Director has a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

#### 1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Rendering of services

Turnover from contracts to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- The amount of turnover can be measured reliably
- It is probable that the Company will receive the consideration due under the contract
- The stage of completion of the contract at the end of the reporting period can be measured reliably and
- The costs incurred and the costs to complete the contract can be measured reliably.

The majority of turnover relates to the provision of medical reports and rehabilitation services predominantly to the legal profession and insurers. Turnover is recognised at the point of delivery of the service with the fair value provision made as appropriate.

Turnover derived from the supply of credit hire vehicles is recognised from conclusion of the hire, exclusive of VAT. Vehicles are only supplied and remain on hire after a strict validation process that assesses to the Company's satisfaction that liability for the accident rests with a third party. Turnover is accrued on a daily basis, after adjustments for an estimation of the recovery of those credit hire charges based on historical settlement rates and case characteristics including the size of the claim. This adjustment is made to ensure that turnover is only recognised to the extent that it is highly probable that a significant reversal of turnover will not occur upon settlement of a customer's claim. Turnover recognised is updated on settlement once the amount of fees that will be recovered is known. Turnover derived from the repair of a customer's vehicle is accounted for in the same way as credit hire charges.

Turnover is generated in the United Kingdom, all from trade in line with the Group's principal activity.

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 1 Accounting policies

(Continued)

#### 1.5 Research and development expenditure

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 5 year.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

#### 1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 - 10 years.

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

#### 1.7 Intangible fixed assets other than goodwill

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

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	15 - 20% straight line
Development costs	20% straight line

#### 1.8 Tangible fixed assets

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

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

Leasehold land and buildings	over the term of the lease
Leasehold improvements	over the term of the lease
Plant and equipment	25% straight line
Fixtures and fittings	15 - 20% straight line
Computers	33% straight line
Motor vehicles	33% straight line

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

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### 1 Accounting policies

(Continued)

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

#### 1.9 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 1.10 Impairment of fixed assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each reporting 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.

##### 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.

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.

#### 1.11 Stocks

Stock represents work in progress, which is the cost incurred in respect of cases which have not been completed and invoiced at the reporting date. This cost will include the own labour and overhead costs incurred at the year end but not yet invoiced, in respect of cases ongoing at the reporting date.

#### 1.12 Cash and cash equivalents

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

#### 1.13 Financial instruments

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

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

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 1 Accounting policies

(Continued)

#### **Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance 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.

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

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

#### **1.14 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### **1.15 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.



# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2023

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#### 1 Accounting policies

(Continued)

##### 1.16 Employee benefits

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

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

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

##### 1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

##### 1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

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

In the application of the group's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 2 Judgements and key sources of estimation uncertainty (Continued)

#### Fair value provision

Judgement is required on the adequacy of fair value provision held against trade debtors. The Group makes provisions for waived referrals and expected recoveries using reliable past source data based on the average attrition rate.

### 3 Turnover

The whole of the turnover is attributable to the Group's principal activity and arose within the United Kingdom.

### 4 Operating profit

	2023 £	£
Operating profit for the year is stated after charging:		
Depreciation of tangible fixed assets	456,994	596,246
Amortisation of intangible assets, including goodwill	2,385,497	1,334,936
Other operating lease rentals	1,268,771	638,887

### 5 Auditor's remuneration

	2023 £	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	100,200	121,251
Audit of the financial statements of the company's subsidiaries	43,000	-
	<u>143,200</u>	<u>121,251</u>
<b>For other services</b>		
Taxation compliance services	33,250	39,950
All other non-audit services	26,000	41,790
	<u>59,250</u>	<u>81,740</u>

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	Number	Company 2023 Number	Number
Management	41	28	16	13
Administration and direct labour	869	455	-	-
Total	910	483	16	13

Their aggregate remuneration comprised:

	Group 2023 £	£	Company 2023 £	£
Wages and salaries	25,636,427	15,174,515	1,589,029	1,137,514
Social security costs	1,685,203	1,066,909	203,410	143,924
Pension costs	588,306	377,856	41,655	47,456
	27,909,936	16,619,280	1,834,094	1,328,894

### 7 Director's remuneration

	2023 £	£
Remuneration for qualifying services	183,954	72,709
Company pension contributions to defined contribution schemes	1,321	1,321
	185,275	74,030

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022 - 1).

Key management personnel includes the Director and a number of senior managers across the Group who together have authority and responsibility for planning, directing and controlling the activities of the Group. The total compensation paid to key management personnel for services provided to the Group was £795,104 (2022 - £1,008,052).

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 8 Interest receivable and similar income

	2023	
	£	£
<b>Interest income</b>		
Interest receivable from related party loans	1,029,802	706,392
Other interest income	3,718	2,275
	<u>1,033,520</u>	<u>708,667</u>

### 9 Interest payable and similar expenses

	2023	
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	892,351	131,018
Interest payable to group undertakings	45,420	11,876
Other interest on financial liabilities	1,408,711	1,083,185
Interest on finance leases and hire purchase contracts	6,145	972
Other interest	183	3,147
	<u>2,244,393</u>	<u>1,230,198</u>

### 10 Taxation

	2023	
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	844,864	430,391
Adjustments in respect of prior periods	(138)	(9,319)
	<u>844,726</u>	<u>421,072</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	50,390	180,132
Adjustment in respect of prior periods	-	75
	<u>50,390</u>	<u>180,207</u>
<b>Total tax charge</b>	<u>895,116</u>	<u>601,279</u>

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	£
Profit before taxation	2,021,598	815,566
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (: 19.00%)	384,104	154,958
Tax effect of expenses that are not deductible in determining taxable profit	275,469	200,747
Adjustments in respect of prior years	-	(35,279)
Effect of change in corporation tax rate	-	(25,081)
Deferred tax adjustments in respect of prior years	-	13,673
Unprovided deferred tax	(39,130)	257,654
Fixed asset differences	274,673	25,720
Other differences leading to an increase in the tax charge	-	8,887
Taxation charge	895,116	601,279

### 11 Dividends

	2023 £	£
Recognised as distributions to equity holders:		
Final paid	-	1,000,000

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 12 Intangible fixed assets

Group	Goodwill	Software	Development costs	Total
	£	£	£	£
<b>Cost</b>				
At 1 June 2022	23,504,508	989,824	157,048	24,651,380
Additions - internally developed	-	(5,460)	18,450	12,990
Additions - separately acquired	6,025	558,544	38,006	602,575
Disposals	-	(106,645)	-	(106,645)
Transfers	-	374,715	-	374,715
Other changes	(1,300,462)	-	-	(1,300,462)
At 31 May 2023	22,210,071	1,810,978	213,504	24,234,553
<b>Amortisation and impairment</b>				
At 1 June 2022	4,099,321	527,433	13,169	4,639,923
Amortisation charged for the year	2,084,332	281,680	19,485	2,385,497
Disposals	-	(106,645)	-	(106,645)
Transfers	-	43,936	-	43,936
At 31 May 2023	6,183,653	746,404	32,654	6,962,711
<b>Carrying amount</b>				
At 31 May 2023	16,026,418	1,064,574	180,850	17,271,842
At 31 May 2022	19,405,187	462,391	143,879	20,011,457

The company had no intangible fixed assets at 31 May 2023 or 31 May 2022.

Other changes to goodwill in the year relate to the release of deferred consideration in the acquisition of IPRS Group Limited and its subsidiary undertakings in the prior year.

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 13 Tangible fixed assets

Group	Leasehold land and buildings	Leasehold improvements	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 June 2022	2,232,712	94,992	1,091,937	1,054,146	812,856	324,922	5,611,565
Additions	-	220	470,153	136,570	119,354	520,239	1,246,536
Disposals	(23,206)	-	(293,350)	(327,422)	(509,679)	(159,208)	(1,312,865)
Transfers	-	-	(376,722)	49,255	(47,248)	-	(374,715)
At 31 May 2023	2,209,506	95,212	892,018	912,549	375,283	685,953	5,170,521
<b>Depreciation and impairment</b>							
At 1 June 2022	267,852	78,976	676,036	708,569	653,399	67,872	2,452,704
Depreciation charged in the year	13,804	6,699	126,762	127,188	60,262	122,279	456,994
Eliminated in respect of disposals	(23,206)	-	(293,350)	(327,422)	(509,329)	(67,187)	(1,220,494)
Transfers	-	-	(79,138)	27,118	8,084	-	(43,936)
At 31 May 2023	258,450	85,675	430,310	535,453	212,416	122,964	1,645,268
<b>Carrying amount</b>							
At 31 May 2023	1,951,056	9,537	461,708	377,096	162,867	562,989	3,525,253
At 31 May 2022	1,964,860	16,016	415,901	345,577	159,457	257,050	3,158,861

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 13 Tangible fixed assets

(Continued)

Company	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 June 2022	852,775	47,038	1,860	28,649	262,927	1,193,249
Additions	-	-	-	-	156,823	156,823
Disposals	-	-	-	-	(139,131)	(139,131)
At 31 May 2023	852,775	47,038	1,860	28,649	280,619	1,210,941
<b>Depreciation and impairment</b>						
At 1 June 2022	33,829	5,948	1,395	25,674	67,572	134,418
Depreciation charged in the year	-	11,760	465	2,354	52,804	67,383
Eliminated in respect of disposals	-	-	-	-	(64,928)	(64,928)
At 31 May 2023	33,829	17,708	1,860	28,028	55,448	136,873
<b>Carrying amount</b>						
At 31 May 2023	818,946	29,330	-	621	225,171	1,074,068
At 31 May 2022	818,946	41,090	465	2,975	195,355	1,058,831

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2023 £	£
Plant and equipment	77,694	129,880
Motor vehicles	290,890	-
	368,584	129,880

### 14 Fixed asset investments

	Notes	Group 2023 £	£	Company 2023 £	£
Investments in subsidiaries	15	-	-	24,473,919	25,775,734



# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

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<b>14</b>	<b>Fixed asset investments</b>	<b>(Continued)</b>
	<b>Movements in fixed asset investments</b>	
	<b>Company</b>	<b>Shares in subsidiaries £</b>
	<b>Cost</b>	
	At 1 June 2022	25,775,734
	Deferred consideration	(1,301,815)
	At 31 May 2023	<u>24,473,919</u>
	<b>Carrying amount</b>	
	At 31 May 2023	<u>24,473,919</u>
	At 31 May 2022	<u>25,775,734</u>

### 15 Subsidiaries

All of the below subsidiaries are included in the consolidation.

The registered office of IPRS (Scotland) Ltd is First Floor Grampian Police Health & Welfare Ut, 200 Ashgrove Road West, Aberdeen, AB16 5NY.

The registered office of all other subsidiary undertakings is Speed Medical House, Matrix Park, Chorley, Lancashire, PR7 7NA.

The parent undertaking has given a guarantee to The Treatment Network Limited, The Treatment Network (Holdings) Limited, The Treatment Network Group Limited, Foresight Clinical Services Limited, Advanced Child Care Assessments Limited, Jan Harrison Limited, Handl Communications Limited, Claimspace Limited, TG Expert Witness and Associates Limited, Reach Personal Injury Management Services Limited, Mind Right Limited, IPRS Group Limited, IPRS Aeromed Limited, IPRS Mediquipe Limited, IPRS Health Limited, Personal Functional Assessment Services Limited, Robertson Cooper Limited and We've Got The Key Limited under s479A and as such these subsidiary undertakings are exempt from an audit.

Details of the company's subsidiaries at 31 May 2023 are as follows:

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

### 15 Subsidiaries (Continued)

Name of undertaking	Nature of business	Class of shares held	% Held	
			Direct	Indirect
Speed Medical Examination Services Limited	Medical Reports	A Ordinary and B Ordinary	87.50	-
Speed Rehab Limited	Dormant	A Ordinary and B Ordinary	87.50	-
The Treatment Network Group Limited	Intermediary holding company	A Ordinary, B Ordinary, C Ordinary and E Ordinary	100.00	-
Medical-Legal Appointments Limited	Medical Reports	Ordinary	100.00	-
Foresight Clinical Services Limited	Expert witness services	Ordinary	100.00	-
Jan Harrison Limited	Case management and expert witness services	Ordinary	100.00	-
Abetteryu Limited	Personal wellbeing services	A Ordinary and B Ordinary	100.00	-
Claimspace Limited	Litigation mediation	Ordinary	100.00	-
Advanced Child Care Assessments Limited	Expert witness services	Ordinary	100.00	-
Handl Communications Limited	Marketing services	Ordinary	100.00	-
TG Expert Witness and Associates Limited	Provision of independent expert evidence services	Ordinary	100.00	-
Reach Personal Injury Management Services Limited	Provision of assessment and rehabilitation services	Ordinary	100.00	-
Mind Right Limited	Provision of specialist psychological services	Ordinary	100.00	-
Cogent Hire Limited	Provision of repair services and replacement vehicles	Ordinary	100.00	-
EQL Health Limited	Dormant	Ordinary	100.00	-
IPRS Group Limited	Non-trading investment company	A Ordinary and B Ordinary	90.00	-
Robertson Cooper Limited	Provision of health and wellbeing services	Ordinary	100.00	-
Autoresolutions Limited	Dormant	Ordinary	100.00	-
We've Got The Key Limited	Auto locksmith services	Ordinary	55.00	-
D A C H Limited	Holding company	Ordinary	87.50	-
Corpore Limited	Provision of injury rehabilitation services	Ordinary	-	100.00
@Physio (UK) Limited	Dormant	Ordinary	-	100.00
IPRS Health Limited	Provision of prevention and rehabilitation services	Ordinary	-	90.00
Personal Functional Assessment Services Limited	Provision of clinical assessment services	Ordinary	-	90.00
IPRS Mediquipe Limited	Sale of physiotherapy and rehabilitation equipment and engineering support	Ordinary	-	90.00
IPRS Limited	Dormant	Ordinary	-	90.00
IPRS (Scotland) Limited	Dormant	Ordinary	-	90.00
IPRS Medical Transport of Services Limited	Dormant	Ordinary	-	90.00
IPRS Aeromed Limited	Provision of medical escort and support services	Ordinary	-	90.00

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 15 Subsidiaries

(Continued)

Name of undertaking	Nature of business	Class of shares held	% Held	
			Direct	Indirect
The Treatment Network (Holdings) Limited	Intermediary holding company	A Ordinary, B Ordinary, C Ordinary & D Ordinary	-	100.00
The Treatment Network Limited	Provision of injury rehabilitation services and occupational health	Ordinary	-	100.00

### 16 Stocks

	Group 2023		Company 2023	
	£	£	£	£
Work in progress	1,114,948	772,024	-	-

### 17 Debtors

	Group 2023		Company 2023	
Amounts falling due within one year:	£	£	£	£
Trade debtors	52,679,944	44,493,264	19,079	2,840
Unpaid share capital	418	401	100	100
Corporation tax recoverable	500,187	160,506	189,261	160,506
Amounts owed by group undertakings	-	-	7,074,811	7,153,137
Amounts owed by undertakings in which the company has a participating interest	-	1,114,013	-	-
Other debtors	19,014,004	17,960,611	10,165,571	10,161,409
Prepayments and accrued income	5,639,576	4,400,577	16,762	14,426
	77,834,129	68,129,372	17,465,584	17,492,418
Deferred tax asset (note 22)	3,222	-	-	-
	77,837,351	68,129,372	17,465,584	17,492,418

Amounts owed by group undertakings are interest free and repayable on demand.

Included within group other debtors are amounts owed by related parties of £18,204,191 (2022 - £17,198,961).

The impairment loss recognised in the Group profit or loss for the year in respect of bad and doubtful trade debtors was £76,693 (2022 - £22,893).

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 18 Creditors: amounts falling due within one year

	Notes	Group 2023 £	£	Company 2023 £	£
Bank loans and overdrafts	20	23,704,649	19,407,106	26,000	25,976
Obligations under finance leases	21	80,816	41,154	23,525	-
Trade creditors		18,573,610	16,336,457	44,702	124,984
Amounts owed to group undertakings		-	-	40,033,750	39,398,943
Corporation tax payable		1,402,983	814,770	-	49,091
Other taxation and social security		2,012,282	1,328,628	40,987	43,019
Deferred income		73,140	268,126	-	-
Other creditors		2,302,110	3,780,948	1,101,176	1,313,451
Accruals and deferred income		12,667,656	10,592,482	349,174	69,395
		<u>60,817,246</u>	<u>52,569,671</u>	<u>41,619,314</u>	<u>41,024,859</u>

### 19 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	£	Company 2023 £	£
Bank loans and overdrafts	20	521,568	673,767	245,843	271,867
Obligations under finance leases	21	228,932	85,323	90,180	-
Other borrowings	20	7,676,267	7,227,815	-	-
Deferred consideration		-	2,138,366	-	2,138,366
		<u>8,426,767</u>	<u>10,125,271</u>	<u>336,023</u>	<u>2,410,233</u>

Deferred consideration pertains to the acquisition of IPRS group in 2022, this was repaid in the year.

### 20 Loans and overdrafts

	Group 2023 £	£	Company 2023 £	£
Bank loans	674,231	829,743	271,843	297,843
Bank overdrafts	23,551,986	19,251,130	-	-
Loans from related parties	7,676,267	7,227,815	-	-
	<u>31,902,484</u>	<u>27,308,688</u>	<u>271,843</u>	<u>297,843</u>
Payable within one year	23,704,649	19,407,106	26,000	25,976
Payable after one year	8,197,835	7,901,582	245,843	271,867

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2023

#### 20 Loans and overdrafts

(Continued)

The bank overdraft is secured by a debenture giving fixed or floating charges on all the assets of Speed Medical Examination Services Limited and Medical Legal Appointments Limited, dated 3rd August 2018, This is further referred to in note 27.

There is a charge in favour of Svenska Handelsbanken AB against a freehold property owned by FL 360 Limited dated 1 November 2016.

Amounts owed to group undertakings are interest free and repayable on demand.

#### 21 Finance lease obligations

	Group 2023		Company 2023	
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	80,816	41,154	23,525	-
In two to five years	228,932	85,323	90,180	-
	<u>309,748</u>	<u>126,477</u>	<u>113,705</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery.

#### 22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2023	Liabilities	Assets 2023	Assets
Group	£	£	£	£
Accelerated capital allowances	435,607	369,457	1,973	-
Short term timing differences	(18,712)	(6,175)	1,249	-
	<u>416,895</u>	<u>363,282</u>	<u>3,222</u>	<u>-</u>
	Liabilities 2023	Liabilities	Assets 2023	Assets
Company	£	£	£	£
Accelerated capital allowances	61,889	68,029	-	-
Short term timing differences	(885)	(299)	-	-
	<u>61,004</u>	<u>67,730</u>	<u>-</u>	<u>-</u>

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 22 Deferred taxation

(Continued)

	Group 2023 £	Company 2023 £
<b>Movements in the year:</b>		
Liability at 1 June 2022	363,282	67,730
Charge/(credit) to profit or loss	50,391	(6,726)
Liability at 31 May 2023	413,673	61,004

### 23 Retirement benefit schemes

	2023 £	£
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	350,362	261,313

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 24 Share capital

Group and company	2023 Number	Number	2023 £	£
<b>Ordinary share capital</b>				
<b>Issued and not fully paid</b>				
C Ordinary shares of 0.1p each	50,000	50,000	50	50
D Ordinary shares of 0.1p each	50,000	50,000	50	50
	100,000	100,000	100	100

'C' and 'D' ordinary shares of 0.1p each carry equal voting rights.

The holder of C shares is the ultimate controlling party, Dr Rajnish Luthra.

The holder of D shares is a company incorporated in the United Kingdom, NNN Investments Limited. The ultimate controlling party of NNN Investments Limited is Dr Rajnish Luthra.

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 25 Reserves

#### Profit and loss reserves

The Group and Company capital and reserves are as follows:

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Merger Reserve

The merger reserve represents the difference between the cost of investment and the nominal value of the ordinary shares issued during the Group re-organisation.

#### Profit and loss account

The profit and loss account represents cumulative profits and losses, net of any dividends and other adjustments.

### 26 Profit and loss allocation

It was noted that in the prior year for Cogent Hire Limited, all costs had been allocated to administrative expenses. On review, we determined that a proportion of the costs are direct in nature and therefore the accounts would provide more accurate information if these were presented in costs of sales. Therefore, an adjustment of £1,994,286 has been posted to increase cost of sales and reduce administrative expenses. In addition, the movement on the debtor fair value provision, was included against administrative expenses. In line with the group accounting policies, we have reallocated the £345,382 charge against sales in the previous period. There are no impacts on profit for the year or equity as a result of these adjustments.

### 27 Financial commitments, guarantees and contingent liabilities

An unlimited cross guarantee exists between Medical-Legal Appointments Limited, Speed Medical Examination Services Limited and FL 360 Limited as part of the invoice financing arrangement. The contingent liability at the statement of Financial Position date was £20,561,260 (2022 - £18,946,057). Advanced Child Care Assessments Limited, Corpore Limited, IPRS Aeromed Limited, IPRS Health Limited, Jan Harrison Limited, Personal Functional Assessment Services Limited, Reach Personal Injury Services Limited, TG Expert Witness and Associates Limited, Foresight Clinical Services Limited and Cogent Hire Limited are also party to this arrangement.

### 28 Operating lease commitments

#### Lessee

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

	Group 2023 £	£
Within one year	783,346	-
Between two and five years	739,621	1,220,293
In over five years	568,448	734,823
	<u>2,091,415</u>	<u>1,955,116</u>

## **FL 360 LIMITED**

### **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

#### ***FOR THE YEAR ENDED 31 MAY 2023***

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#### **29 Events after the reporting date**

The group held an investment of 55% of the issued share capital of We've Got the Key Limited as at 31 May 2023. On 31 August 2023 it acquired, from a former Director, a further 5% of the issued share capital at par. The Group has also entered into a call option agreement to acquire the remaining 40% of the issued share capital from another former director. The option price is £540,000, payable over 3 years from the date of exercise, but as at the date of signing these accounts the group had not exercised that option.



# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MAY 2023

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#### 30 Related party transactions

The Company has taken advantage of the available exemption conferred by Section 33.1A of FRS102 not to disclose transactions with wholly owned members of the Group.

Within debtors due within one year is a balance of £638,878 (2022 - £609,696) owing from Matrix Park LLP which is considered to be a related party because its controlling party is the same as FL 360 Limited's controlling party. This balance consists of a loan of £638,878 (2022 - £609,696) inclusive of accumulated interest. The loan is repayable on demand. No interest has been paid in the year but of interest was accrued £29,182 (2022 - £13,561). The loan incurs interest at a rate of the Bank of England base rate plus 2%. Since June 2007 the Company has occupied a premises owned by Matrix Park LLP, paying a monthly rental of £3,865

Within creditors due within one year is a balance of £90,144 (2022 - £91,000) relating to amounts owed to Matrix Park LLP which has arisen due to normal trading.

Within debtors due within one year is a balance of £1,062,759 (2022 - £993,826) owing from Aim Provide LLP which is considered a related party because its controlling party is the same as FL 360 Limited's controlling party. The balance consists of a loan of £1,062,759 (2022 - £993,826) inclusive of accumulated interest. The loan is repayable on demand. No interest has been paid in the year but £67,033 was accrued (2022 - £38,533). The loan incurs interest at the rate of the Bank of England base rate plus 4%.

Within creditors due within one year is a balance of £160,700 (2022 - £161,300) relating to amounts owed to Aim Provide LLP which has arisen due to normal trading.

Within debtors due within one year is a loan balance of £418,000 (2022 - £418,000) owing from Aim Legal Expenses Insurance Services Limited. Aim Legal Expenses Insurance Services Limited is considered to be a related party because its controlling party is the same as FL 360 Limited's controlling party. The loan is repayable on demand and is interest free.

Within debtors due within one year is a balance of £77,430 (2022 - £45,470) relating to amounts owed by Aim Legal Expenses Insurance Services Limited which has arisen due to normal trading.

Within debtors due within one year is a balance of £5,919,926 (2022 - £5,572,243) and £1,609,080 (2022 - £2,746,007) relating to loans owed from 116 Cardamon Limited to the group. 116 Cardamon Limited is considered to be a related party because its controlling party is the same as FL 360 Limited's controlling party. The balance consists of a loan of £5,919,926 (2022 - £5,572,243) inclusive of accumulated interest. The loan is repayable on demand. No interest has been paid in the year but £348,665 was accrued (2022 - £199,350). The loan incurs interest at the rate of 3.5%. The second loan is interest free. The loan is repayable on demand.

Within debtors due within one year is a balance of £Nil (2022 - £116,389) due from Motorplus Limited to Speed Medical Examination Services Limited which has arisen during the normal course of trading. Within trade creditors due within one year is a balance of £5,319 (2022 - £18,355) due to Motorplus Limited which has arisen during the normal course of trading. Sales to Motorplus in the year were £11,806 (2022 - £91,809) and purchases from Motorplus were £56,755 (2022 - £160,202). Within debtors is a loan balance of £969,170 (2022 - £935,829) owed by Motorplus Limited. The loan is interest free. Motorplus Limited is a subsidiary of 116 Cardamon Limited and therefore is considered a related party by virtue of common directorship and ultimate common ownership.

Included within debtors is a balance owed to Handl Communications Limited by Motorplus Limited in the sum of £42,179 (2022 - £42,179).

Included within debtors is a balances owed to Corpore Limited in the sum of £29,636 (2022 - £71,385) by Motorplus Limited. Sales in the year were £91,809 (2022 Purchases - £83,683).

Included within creditors is a balance owed by Cogent Hire to Motorplus Limited in the sum of £510 (2022 - £38,388). Purchases in the year from Motorplus Limited were £105,500 (2022 - £291,250).

## **FL 360 LIMITED**

### **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MAY 2023**

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#### **30 Related party transactions**

**(Continued)**

Within debtors due within one year is a balance of £28,277 (2022 - £27,143) relating to loan owed by Marplace (Number 641) Limited to the group. Interest of £1,134 was charged in the year and accrued but not paid. There is a further balance of £8,853 (2022 - £Nil) owed to the group for expenses paid by FL360 on behalf of Marplace (Number 641) Limited in the year. Marplace (Number 641) is a subsidiary of 116 Cardamon Limited and therefore is considered a related party by virtue of common directorship and ultimate common ownership.

Within debtors due within one year is a balance of £6,974,252 (2022 - £5,216,599) relating to loan owed from EQL Limited. EQL Limited is considered to be a related party since the majority shareholder is Dr Rajnish Luthra and as such its controlling party is the same as FL360 Limited. The balance consists of a loan of £6,974,252 (2022 - £5,216,599) inclusive of accumulated interest. Interest is charged at a rate of 12% p.a. No interest has been paid in the year but £583,433 was accrued (2022 - £450,973). There is further balance of £4,326 (2022 - £Nil) owed by EQL Limited to FL360 Limited at the year end which has arisen following the recharge of expenses met by FL360 Limited to EQL Limited. FL360 has charged EQL Limited £60,000 (2022- £60,000) in relation to management charges in the year.

Within creditors due within one year is an amount owed to EQL Limited by The Treatment Network Limited for monies owed in the ordinary course of business. Purchases by The Treatment Network Limited from EQL Limited during the year were £11,094 (2022- £5,064). There were also purchases from EQL Limited made by IPRS Health Limited in the year in the sum of £5,570 (2022 - £Nil).

Within creditors due greater than one year is a balance of £7,676,226 (2022 - £7,227,815) relating to amounts loaned to the Company by Dr Rajnish Luthra. The loan (inclusive of interest) is repayable on the fifth anniversary on receipt of notice from Dr Rajnish Luthra. Interest is charged at a rate of 15% per annum. Interest of £1,123,451 (2022 - £1,034,344) was charged in the year. Within debtors is a balance of £488,886 (2022- £493,886) owed by Dr Raj Luthra. The loan is interest free. Dr Raj Luthra received remuneration of £14,000 during the year (2022 - £13,901).

#### **31 Controlling party**

The ultimate controlling party throughout the current and previous year was Dr Rajnish Luthra.

# FL 360 LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

### 32 Cash generated from/(absorbed by) group operations

	2023 £	£
Profit for the year after tax	1,126,482	214,287
<b>Adjustments for:</b>		
Taxation charged	895,116	601,279
Finance costs	2,244,393	1,230,198
Investment income	(1,033,520)	(708,667)
Loss on disposal of tangible fixed assets	12,304	-
Amortisation and impairment of intangible assets	2,385,497	1,336,344
Depreciation and impairment of tangible fixed assets	456,994	201,021
<b>Movements in working capital:</b>		
Increase in stocks	(342,924)	(122,204)
Increase in debtors	(8,335,629)	(8,434,890)
Increase in creditors	4,011,618	4,674,824
Decrease in deferred income	(194,986)	-
<b>Cash generated from/(absorbed by) operations</b>	<b>1,225,345</b>	<b>(1,007,808)</b>

### 33 Analysis of changes in net debt - group

	1 June 2022 £	Cash flows £	31 May 2023 £
Cash at bank and in hand	2,356,929	51,486	2,408,415
Bank overdrafts	(19,251,130)	(4,300,856)	(23,551,986)
	(16,894,201)	(4,249,370)	(21,143,571)
Borrowings excluding overdrafts	(8,057,558)	(292,940)	(8,350,498)
Obligations under finance leases	(126,477)	(183,271)	(309,748)
	(25,078,236)	(4,725,581)	(29,803,817)