

Registered Number: 06616950
England and Wales

Quality Solicitors Organisation Limited

Abbreviated Financial Statements

For the Year Ended 31 December 2013

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Quality Solicitors Organisation Limited
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Quality Solicitors Organisation Limited

Independent auditors' report to Quality Solicitors Organisation Limited under section 449 of the Companies Act 2000

Our opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 444(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have examined

We have examined the abbreviated accounts set out on pages 2 to 6, together with the financial statements of Quality Solicitors Organisation Limited for the year ended 31 December 2013 prepared under section 396 of the Companies Act 2006.

Our responsibilities and those of the directors

The directors are responsible for preparing the abbreviated accounts in accordance with section 444 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4, 'The special auditor's report on abbreviated accounts in the United Kingdom', issued by the Auditing Practices Board. In accordance with that Bulletin, we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared.

This report, including the opinion, has been prepared for and only for the company for the purpose of section 449 of the Companies Act 2006 and for no other purpose. We do not, in giving this opinion, 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.



Neil Philpott (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
3rd September 2014

Quality Solicitors Organisation Limited
Balance Sheet
As at 31 December 2013

	Notes	31 December 2013 £	31 December 2012 £
Fixed Assets			
Intangible Assets	3	1,000	1,000
Tangible Assets	4	97,686	177,846
		<u>98,686</u>	<u>178,846</u>
Current Assets			
Debtors		273,660	228,043
Cash at bank and in hand		610,071	257,651
		<u>883,731</u>	<u>485,694</u>
Creditors: amounts falling due within one year		<u>(1,888,624)</u>	<u>(1,111,395)</u>
Net Current Liabilities		<u>(1,004,893)</u>	<u>(625,701)</u>
Total Assets less Current Liabilities		<u>(906,207)</u>	<u>(446,855)</u>
Creditors: Amounts falling due after more than one year		<u>(11,904,495)</u>	<u>(6,797,315)</u>
Provisions for Liabilities		<u>(449,284)</u>	<u>(2,217,000)</u>
Net Liabilities		<u>(13,259,986)</u>	<u>(9,461,170)</u>
Capital and Reserves			
Called up share capital	5	9,998	9,998
Share premium account		346,002	346,002
Profit and loss account		(13,615,986)	(9,817,170)
Total Shareholders' Deficit		<u>(13,259,986)</u>	<u>(9,461,170)</u>

The abbreviated financial statements have been prepared in accordance with special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements on pages 2 to 6 were approved by the Board of Directors on 3rd September 2014 and signed on its behalf by:



 Daan Knottenbelt
 Director

Quality Solicitors Organisation Limited
Notes to the Financial Statements
For the year ended 31 December 2013

1. Accounting Policies

Basis of accounting

The financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008) and applicable accounting standards in the United Kingdom. The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company. Accounting policies have been applied consistently, other than where new policies have been adopted.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax.

Turnover represents the fair value of consideration receivable for the provision of goods and services, net of value added tax, incorporating membership fees, referral fees, legal access point (LAP) rentals and other income.

Turnover in respect of membership fees and LAP rentals is recognised straight line over the period to which the contracted fee relates. Referral fee income and other income are recognised when the company becomes entitled to receive such income.

Intangible fixed assets

Patents held by the company and are stated at cost.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off each fixed assets over its estimated useful life on the following basis:

Fixtures and fittings:	Straight line over three years
Office equipment:	Straight line over three years
Computer equipment:	Straight line over three years

Operating Leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

Quality Solicitors Organisation Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2013

1. Accounting Policies (continued)

Going Concern

The balance sheet at 31 December 2013 shows that the company liabilities exceed assets by £13,260,000. The directors have prepared cash flow projections and consider that the company will continue to operate within the facilities as currently agreed.

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continuing financial support of the ultimate controlling party Palamon European Equity. The directors have received confirmation that Palamon intends to support the company for the foreseeable future.

2. Directors' remuneration

	Year ended 31 December 2013 £	Year ended 31 December 2012 £
The directors' remuneration for the year was:		
Remuneration	1,106,074	714,151

3. Intangible fixed assets

	Patents £
Cost	
At 1 January 2013	1,000
Additions	-
At 31 December 2013	1,000
Accumulated Amortisation	
At 1 January 2013	-
Charge for year	-
At 31 December 2013	-
Net book value	
At 31 December 2012	1,000
At 31 December 2013	1,000

Quality Solicitors Organisation Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2013

4. Tangible fixed assets

	Fixtures and fittings £	Office Equipment £	Computer Equipment £	Total £
Cost				
At 1 January 2013	16,257	207,752	62,775	286,784
Additions	7,330	-	-	7,330
Disposals	-	-	-	-
At 31 December 2013	<u>23,587</u>	<u>207,752</u>	<u>62,775</u>	<u>294,114</u>
Accumulated Depreciation				
At 1 January 2013	(4,967)	(75,542)	(28,429)	(108,938)
Charge for year	(7,455)	(63,743)	(16,292)	(87,490)
Disposals	-	-	-	-
At 31 December 2013	<u>(12,422)</u>	<u>(139,285)</u>	<u>(44,721)</u>	<u>(196,428)</u>
Net book value				
At 31 December 2012	<u>11,290</u>	<u>132,210</u>	<u>34,346</u>	<u>177,846</u>
At 31 December 2013	<u>11,165</u>	<u>68,467</u>	<u>18,054</u>	<u>97,686</u>

5. Called up share capital

	31 December 2013 £	31 December 2012 £
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>9,998</u>	<u>9,998</u>

Quality Solicitors Organisation Limited
Notes to the Financial Statements (continued)
For the year ended 31 December 2013

6. Related parties

	Saleem Arif £	Craig Holt £	Total £
Directors' Loan Accounts			
Balance at 1 January 2013	8,909	8,909	17,818
Movement in the year	-	-	-
Balance at 31 December 2013	<u><u>8,909</u></u>	<u><u>8,909</u></u>	<u><u>17,818</u></u>

During 2013 the company had an On-Demand Loan Facility with Palamon, the ultimate controlling party. This attracted interest at a rate of 10% and £150,152 was charged to the profit and loss account in the year though the interest was not paid. The final balance of the loan at the end of 2013 was £4.6 million.

7. Ultimate parent undertaking and controlling party

The immediate parent undertaking is Quality Solicitors Acquisitions Limited, the ultimate parent company is Quality Solicitors Holdings Limited. Both are companies incorporated in Jersey on 14 October 2011.

The ultimate controlling party is Palamon European Equity, a company incorporated in United Kingdom.