

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

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OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

COMPANY INFORMATION

Directors	D. Denis-Smith M. S. Humphries W. J. Stephens D. J. Tembo
Company secretary	D. Denis-Smith
Registered number	07312074
Registered office	44 Southampton Buildings London WC2A 1AP

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

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OBELISK LEGAL SUPPORT SOLUTIONS LIMITED
REGISTERED NUMBER: 07312074

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Intangible assets	4	251,169	190,375
Tangible assets	5	3,913	6,558
		<u>255,082</u>	<u>196,933</u>
CURRENT ASSETS			
Debtors	6	522,686	351,808
Cash at bank and in hand		7,270	53,030
		<u>529,956</u>	<u>404,838</u>
Creditors: amounts falling due within one year	7	(737,251)	(595,118)
NET CURRENT LIABILITIES		<u>(207,295)</u>	<u>(190,280)</u>
Creditors: amounts falling due after more than one year	8	(64,960)	(70,368)
NET LIABILITIES		<u>(17,173)</u>	<u>(63,715)</u>
CAPITAL & RESERVES			
Called up share capital	9	36,360	1,360
Profit and loss account		(53,533)	(65,075)
EQUITY SHAREHOLDER'S DEFICIT		<u>(17,173)</u>	<u>(63,715)</u>

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED
REGISTERED NUMBER: 07312074

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

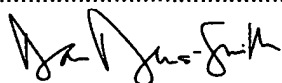
The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 section 1A - small entities.

The Company has opted not to file the Directors' Report and the Profit and Loss Account in accordance with the provisions applicable to companies subject to the Small Companies' Regime, under section 444 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
04/05/2020.



.....
D. Denis-Smith
Director

The notes on pages 3 to 9 form part of these financial statements.

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. GENERAL INFORMATION

Obelisk Legal Support Solutions Limited (Company number 07312074), having its registered and trading office at 44 Southampton Buildings, London, WC2A 1AP, is a private limited company incorporated in England and Wales.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Statement of Cash Flows

The Company has taken advantage of the exemption in Financial Reporting Standard 102, section 1A.7 from the requirement to produce a Statement of Cash Flows on the grounds that it is a small company.

2.3 Going concern

As at the year end, the Company has net liabilities of £17,173 (2018: £63,715). The directors have satisfied themselves that the Company has sufficient cash and banking facilities to meet its obligations for 12 months from the signing of the accounts. Therefore, the accounts have been prepared on the going concern basis.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is British Pound Sterling (GBP).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period-end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover 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 turnover is recognised:

Rendering of services

Turnover from a contract 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.

2.6 Research and development

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 of 5 years, from the beginning of the year following expenditure.

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.

2.7 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.9 Taxation

Tax is recognised in the Statement of Comprehensive Income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.10 Intangible assets

Intangible assets comprise development expenditure, which has been capitalised in accordance with FRS 102, section 18. Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses

All intangible assets are considered to have a finite useful life.

The estimated useful lives range as follows:

Development expenditure	-	5	years
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2.11 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line
Computer equipment	-	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2. ACCOUNTING POLICIES (continued)

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.14 Creditors

Short-term creditors are measured at the transaction price.

2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

3. EMPLOYEES

The average monthly number of employees, including directors, during the year was 11 (2018 - 9).

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

4. INTANGIBLE ASSETS

	Development £
COST	
At 1 January 2019	234,392
Additions	109,796
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At 31 December 2019	344,188
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AMORTISATION	
At 1 January 2019	44,017
Charge for the year	49,002
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At 31 December 2019	93,019
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NET BOOK VALUE	
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At 31 December 2019	251,169
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<i>At 31 December 2018</i>	190,375
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OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
COST				
At 1 January 2019	3,234	1,348	20,001	24,583
Additions	-	273	55	328
At 31 December 2019	3,234	1,621	20,056	24,911
DEPRECIATION				
At 1 January 2019	3,103	1,294	13,628	18,025
Charge for the year	131	63	2,779	2,973
At 31 December 2019	3,234	1,357	16,407	20,998
NET BOOK VALUE				
At 31 December 2019	-	264	3,649	3,913
At 31 December 2018	131	54	6,373	6,558

6. DEBTORS

	2019 £	2018 £
Due within one year		
Trade debtors	459,068	309,066
Other debtors	42,238	28,537
Prepayments and accrued income	21,380	14,205
	522,686	351,808

OBELISK LEGAL SUPPORT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

7. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	300,159	223,005
Taxation and social security	98,334	103,169
Other creditors	273,426	220,167
Accruals and deferred income	65,332	48,777
	<u>737,251</u>	<u>595,118</u>

An amount of £197,000 (2018: £125,173) included within other creditors relates to an invoice discounting facility, which is secured by way of fixed and floating charges over the assets of the Company.

8. CREDITORS: Amounts falling due after more than one year

	2019 £	2018 £
Other creditors	<u>64,960</u>	<u>70,368</u>

9. SHARE CAPITAL

	2019 £	2018 £
ALLOTTED, CALLED UP AND FULLY PAID		
3,636,000 (2018 - 136,000) Ordinary shares of £0.01 each	<u>36,360</u>	<u>1,360</u>

The Company issued 3,500,000 Ordinary shares during the period with the aggregate nominal value of £35,000. The total consideration received for this issue was £35,000.

10. PENSION COMMITMENTS

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £5,272 (2018: £3,148).

Pensions totalling £1,456 (2018: £1,371) were payable to the fund at the Balance Sheet date.

11. RELATED PARTY TRANSACTIONS

Included within other creditors is an amount of £10,416 (2018: £59,872) due to the director of the Company. The loan is on an arm's length basis, with a 0% interest rate; there are no repayment terms and no interest is due.