

COMPANY REGISTRATION NUMBER: 07535449

**Gladstones Solicitors Limited**

**Filleted Unaudited Financial Statements**

**28 February 2021**

# **Gladstones Solicitors Limited**

## **Financial Statements**

**Year Ended 28 February 2021**

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# Gladstones Solicitors Limited

## Statement of Financial Position

28 February 2021

	Note	2021 £	2020 £
<b>Fixed Assets</b>			
Tangible assets	6	16,845	26,797
Investments	7	15,425	15,425
		<u>32,270</u>	<u>42,222</u>
<b>Current Assets</b>			
Debtors	8	2,233,726	1,968,518
Cash at bank and in hand		1,323,926	1,394,769
		<u>3,557,652</u>	<u>3,363,287</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>1,684,227</u>	<u>1,421,473</u>
<b>Net Current Assets</b>		<u>1,873,425</u>	<u>1,941,814</u>
<b>Total Assets Less Current Liabilities</b>		<u>1,905,695</u>	<u>1,984,036</u>
<b>Creditors: amounts falling due after more than one year</b>	10	750,000	—
<b>Provisions</b>			
Taxation including deferred tax		3,201	5,091
<b>Net Assets</b>		<u>1,152,494</u>	<u>1,978,945</u>
<b>Capital and Reserves</b>			
Called up share capital		100	100
Other reserves		9,900	9,900
Profit and loss account		1,142,494	1,968,945
<b>Shareholders Funds</b>		<u>1,152,494</u>	<u>1,978,945</u>

These 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 Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 28 February 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

**Gladstones Solicitors Limited**  
**Statement of Financial Position** *(continued)*

**28 February 2021**

These financial statements were approved by the board of directors and authorised for issue on 24 February 2022 ,  
and are signed on behalf of the board by:

Mr J L Davies

Director

Company registration number: 07535449

# **Gladstones Solicitors Limited**

## **Notes to the Financial Statements**

### **Year Ended 28 February 2021**

#### **1. General Information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit B, 1st Floor, 210 Cygnet Court, Centre Park, Warrington, WA1 1PP, Cheshire.

#### **2. Statement of Compliance**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting Policies**

##### **Basis of Preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Exceptional Items**

Exceptional items are disclosed separately in the financial statements in order to provide further understanding of the financial performance of the entity. They are material items of income or expense that have been shown separately because of their nature or amount.

##### **Revenue Recognition**

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for services rendered, stated net of discounts and of Value Added Tax. Fees receivable are recognised when a right to consideration is earned in exchange for performance of contractual obligations. Income is recorded at its fair value which is based on time spent, skills and expertise provided and expenses incurred after deducting allowances for uncertainties relating to amounts capable of being billed.

##### **Income Tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

## **Tangible Assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and furniture	-	20% straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	20% straight line

### **Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

## **Impairment of Fixed Assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

## **Government Grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

## **Research and Development**

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

### Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

### Financial Instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

### 4. Employee Numbers

The average number of persons employed by the company during the year amounted to 46 (2020: 46 ).

### 5. Tax on (Loss)/Profit

#### Major components of tax income

	2021	2020
	£	£
<b>Current tax:</b>		
UK current tax (income)/expense	( 64,274)	64,274
Adjustments in respect of prior periods	—	( 69,165)
	-----	-----
Total current tax	( 64,274)	( 4,891)
	-----	-----
<b>Deferred tax:</b>		
Origination and reversal of timing differences	( 1,891)	( 1,518)
	-----	-----
<b>Tax on (loss)/profit</b>	<b>( 66,165)</b>	<b>( 6,409)</b>
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## 6. Tangible Assets

	Fixtures and furniture £	Motor vehicles £	Office equipment £	Total £
<b>Cost</b>				
At 1 March 2020	11,524	11,349	78,210	<b>101,083</b>
Additions	—	—	2,113	<b>2,113</b>
	-----	-----	-----	-----
<b>At 28 February 2021</b>	<b>11,524</b>	<b>11,349</b>	<b>80,323</b>	<b>103,196</b>
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<b>Depreciation</b>				
At 1 March 2020	11,018	10,514	52,754	<b>74,286</b>
Charge for the year	506	208	11,351	<b>12,065</b>
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<b>At 28 February 2021</b>	<b>11,524</b>	<b>10,722</b>	<b>64,105</b>	<b>86,351</b>
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<b>Carrying amount</b>				
<b>At 28 February 2021</b>	<b>—</b>	<b>627</b>	<b>16,218</b>	<b>16,845</b>
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At 29 February 2020	506	835	25,456	26,797
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## 7. Investments

	Other investments other than loans £
<b>Cost</b>	
<b>At 1 March 2020 and 28 February 2021</b>	<b>15,425</b>
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<b>Impairment</b>	
<b>At 1 March 2020 and 28 February 2021</b>	<b>—</b>
	-----
<b>Carrying amount</b>	
<b>At 28 February 2021</b>	<b>15,425</b>
	-----
At 29 February 2020	15,425
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## 8. Debtors

	2021 £	2020 £
Trade debtors	<b>422,699</b>	1,040,934
Amounts owed by undertakings in which the company has a participating interest	<b>793,410</b>	—
Prepayments and accrued income	<b>49,572</b>	57,845
Corporation tax repayable	<b>80,000</b>	—
Other debtors	<b>888,045</b>	869,739
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	<b>2,233,726</b>	1,968,518
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**9. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	42,881	30,463
Accruals and deferred income	112,672	125,430
Corporation tax	—	64,274
Social security and other taxes	236,898	145,718
Director loan accounts	—	1,088
Other creditors - Amounts due to clients	1,201,169	958,592
Pension fund creditor	5,849	11,150
Other creditors	84,758	84,758
	<u>1,684,227</u>	<u>1,421,473</u>

**10. Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Bank loans and overdrafts	750,000	—
	<u>750,000</u>	<u>—</u>

**11. Deferred Tax**

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£	£
Included in provisions	3,201	5,091
	<u>3,201</u>	<u>5,091</u>

**12. Controlling Party**

On 10 March 2020 100% of the company's issued share capital was acquired by Gladstones Holdings Limited. The company's ultimate parent company is Gladstones Holdings Limited a company incorporated and registered in the United Kingdom.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.