Registration number: 08030343

SPRATT ENDICOTT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

SPRATT ENDICOTT LIMITED

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SPRATT ENDICOTT LIMITED

COMPANY INFORMATION

Directors	LA Gordon R Gwynne DHN Inch PAR Mulcare SS Pangu HGR Patel CA Shaw JE Spratt AA Woods
Registered office	52-54 The Green Banbury OX16 9AB
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

SPRATT ENDICOTT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their strategic report for the year ended 31 March 2020.

Principal activity
The principal activity of the company is the provision of legal services.

Fair review of the business
The results for the year, which are set out in the profit and loss account, show turnover of £8,535,856 (2019 - £7,546,747) and an operating profit of £1,438,616 (2019 - £1,150,234). At 31 March 2020, the company had net assets of £2,293,739 (2019 - £1,991,269). The directors consider the performance for the year and the financial position at the year end to be satisfactory.

Principal risks and uncertainties
Competition Risk
The legal services market is highly competitive. The company manages risk by carefully monitoring the quality of the service provided and ensuring the Spratt Endicott brand is well known and highly regarded.

Regulatory Risk
Changes in regulations are monitored by the directors and reviewed regularly. Changes in regulation that could affect the company's turnover are mitigated by the number of different income streams from various types of service. The company is aiming for Lexcel accreditation in the next year, which will demonstrate the commitment to compliance.

Financial Risk
The company has strong financial controls. Financial risks are closely monitored by review of monthly results, cash flow, budgeting, credit control and work in progress. Policies and procedures are aligned with ISO:27001, and all possible steps are taken to mitigate the risks of cyber crime ad money laundering.

Economic Risk
The UK's BREXIT vote has created some economic uncertainty. Maintaining a diverse range of services provided to a mix of client types mitigates this risk. Additionally, in 2020/21, with the advent of Covid-19, our revenues are much less certain. However, we have taken actions to minimise its impact.

Approved by the Board on 11/01/2021 and signed on its behalf by:

....
AA Woods
Director

SPRATT ENDICOTT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors of the company
The directors who held office during the year were as follows:

D Endicott (resigned 5 May 2020)

LA Gordon

R Gwynne

DHN Inch

PAR Mulcare (appointed 6 August 2019)

SS Pangu

HGR Patel

CA Shaw

JE Spratt

AA Woods

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The business' principal financial instruments comprise bank balances, work in progress, trade debtors and trade creditors. The main purpose of these instruments is to finance business operations.

In respect of bank balances, liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest.

Work in progress is managed in respect of price and liquidity risk by regular billing and monitoring of amounts unbilled. The amounts presented in the balance sheet are net of allowances for recovery rates and time unlikely to be billed.

Trade debtors are managed in respect of credit and cash flow risk by regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Disclosure of information to the auditors
Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

SPRATT ENDICOTT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

Approved by the Board on ..11/01/2021.. and signed on its behalf by:

....
AA Woods
Director

SPRATT ENDICOTT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATT ENDICOTT LIMITED

Opinion

We have audited the financial statements of Spratt Endicott Limited (the 'company') for the year ended 31 March 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of 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 company's affairs as at 31 March 2020 and of its 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, it is difficult to evaluate all of the potential implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATT ENDICOTT LIMITED

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are 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 directors determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATT ENDICOTT LIMITED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this 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.

Andrew Harris

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Andrew Harris (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 20 January 2021

SPRATT ENDICOTT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Note	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Turnover	3	8,535,856	7,546,747
Administrative expenses		(7,157,682)	(6,436,291)
Other operating income	4	60,442	39,778
Operating profit	5	1,438,616	1,150,234
Other interest receivable and similar income	6	149,648	154,984
Interest payable and similar charges	7	(16,694)	(17,752)
		132,954	137,232
Profit before tax		1,571,570	1,287,466
Taxation	11	(387,816)	(315,799)
Profit for the financial year		1,183,754	971,667

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 13 to 25 form an integral part of these financial statements.

SPRATT ENDICOTT LIMITED

(REGISTRATION NUMBER: 08030343)
BALANCE SHEET AS AT 31 MARCH 2020

	Note	31 March 2020 £	31 March 2019 £
Fixed assets			
Intangible assets	12	1,680,834	2,085,834
Tangible assets	13	529,623	393,973
		2,210,457	2,479,807
Current assets			
Debtors	14	2,969,211	2,736,515
Cash at bank and in hand		700	700
		2,969,911	2,737,215
Creditors: Amounts falling due within one year	15	(2,662,486)	(2,873,138)
Net current assets/(liabilities)		307,425	(135,923)
Total assets less current liabilities		2,517,882	2,343,884
Creditors: Amounts falling due after more than one year	15	(76,565)	(187,151)
Provisions for liabilities	17, 11	(141,373)	(165,464)
Net assets		2,299,944	1,991,269
Capital and reserves			
Called up share capital	19	4,545	4,072
Other reserves		10,000	10,000
Profit and loss account		2,285,399	1,977,197
Total equity		2,299,944	1,991,269

Approved and authorised by the Board on 11/01/2021 and signed on its behalf by:

....
AA Woods
Director

The notes on pages 13 to 25 form an integral part of these financial statements.

SPRATT ENDICOTT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 April 2019	4,072	10,000	1,977,197	1,991,269
Profit for the year	-	-	1,183,754	1,183,754
Dividends	-	-	(875,552)	(875,552)
New share capital subscribed	1,302	-	-	1,302
Purchase of own share capital	(829)	-	-	(829)
At 31 March 2020	4,545	10,000	2,285,399	2,299,944

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 May 2018	4,072	10,000	1,765,134	1,779,206
Profit for the year	-	-	971,667	971,667
Dividends	-	-	(759,604)	(759,604)
At 31 March 2019	4,072	10,000	1,977,197	1,991,269

SPRATT ENDICOTT LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Profit for the year		1,183,754	971,667
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	537,965	452,025
Finance income	6	(149,648)	(154,984)
Finance costs	7	16,694	17,752
Corporation tax expense	11	387,816	315,799
		1,976,581	1,602,259
Working capital adjustments			
Increase in trade debtors	14	(232,696)	(214,018)
Decrease in trade creditors	15	(199,072)	(518,713)
(Decrease)/increase in provisions	17	(33,840)	37,520
Cash generated from operations		1,510,973	907,048
Corporation taxes paid	11	(393,209)	(221,576)
Net cash flow from operating activities		1,117,764	685,472
Cash flows from investing activities			
Interest received	6	149,648	154,984
Acquisitions of tangible assets		(268,615)	(63,110)
Proceeds from sale of tangible assets		-	4,297
Net cash flows from investing activities		(118,967)	96,171
Cash flows from financing activities			
Interest paid	7	(16,694)	(17,752)
Proceeds from issue of ordinary shares, net of issue costs		1,302	-
Payments for purchase of own shares		(829)	-
Repayment of bank borrowing		(37,590)	(152,274)
Dividends paid	21	(875,552)	(759,604)
Net cash flows from financing activities		(929,363)	(929,630)
Net increase/(decrease) in cash and cash equivalents		69,434	(147,987)
Cash and cash equivalents at 1 April		(147,258)	729
Cash and cash equivalents at 31 March		(77,824)	(147,258)

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
52-54 The Green
Banbury
OX16 9AB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation
These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern
After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Bad debt provision - Due to the nature of the business, there are high levels of trade debtors at the year end, and therefore a risk that some of these balances may be irrecoverable. A bad debt review is carried out by the credit control team where debts are assessed and provided against when the recoverability of these balances is considered to be uncertain. The carrying amount is £60,022 (2019 -£36,284).

Amounts recoverable on contracts - The process of assessing amounts recoverable on contracts and work in progress requires various estimates and judgements to be made. Fee earners are required to record time spent on client assignments, this is used as the basis for amounts recoverable on contracts and work in progress estimates. A year end report of time on all assignments is circulated to fee earners to identify likely recoverable amounts. Matters that have been carried out on a contingent basis (where the contingent event is yet to occur) are removed from the amounts recoverable on contracts valuation. The carrying amount is £1,122,995 (2019 -£982,592).

Client claims provision - The client claims provision is based on a review of potential claims and an assessment of any potential settlements that are considered likely as a result of these. The carrying amount is £80,680 (2019 -£114,520).

Revenue recognition

Revenue represents the fair value of services provided during the year on client assignments. Fair value reflects the amounts expected to be recoverable from clients based on time spent, skills provided and expenses incurred, and excludes VAT. Fee income is recognised as contract activity progresses and the right to consideration is secured, except where the final outcome cannot be assessed with reasonable certainty.

Fee income in respect of contingent fee assignments is recognised in the period when the contingent event occurs and collectability of the fee is assured.

Unbilled fee income on individual assignments is included as work in progress or amounts recoverable on contracts within debtors.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other 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 reporting date in the countries where the company operates and generates taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets
Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold land and building	20% straight line
Plant and machinery	20% straight line
Fixtures, fittings and equipment	10% straight line
Computer equipment	20% straight line

Goodwill
Goodwill is amortised over its useful life.

Intangible assets
Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

Amortisation
Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 10 years

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions
Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification
Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement
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 financing 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.

Impairment
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial 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.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired 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. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

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.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2020 £	2019 £
Rendering of services	8,535,856	7,546,747

The analysis of the company's turnover for the year by market is as follows:

	2020 £	2019 £
UK	8,491,020	7,449,041
Europe	36,985	65,349
Rest of world	7,851	32,357
	8,535,856	7,546,747

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2020 £	2019 £
Sub lease rental income	48,442	26,096
Miscellaneous other operating income	12,000	13,682
	60,442	39,778

5 Operating profit

Arrived at after charging:

	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Depreciation expense	132,965	80,776
Amortisation expense	405,000	371,250
Operating lease expense - property	277,234	249,997
Operating lease expense - plant and machinery	12,619	14,292

6 Other interest receivable and similar income

	2020 £	2019 £
Other interest income	1,209	-
Interest income on bank deposits	148,439	154,984
	149,648	154,984

7 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and borrowings	16,653	15,716
Interest expense on other finance liabilities	41	2,036
	16,694	17,752

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Wages and salaries	3,909,283	3,492,747
Social security costs	332,186	302,343
Pension costs, defined contribution scheme	233,649	194,853
	4,475,118	3,989,943

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	Year ended 31 March 2020 No.	1 May 2018 to 31 March 2019 No.
Administration and support	140	141

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	186,991	119,624
Pension contributions	71,482	69,800
	258,473	189,424

10 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	16,500	15,800

11 Taxation

Tax charged in the profit and loss account

	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Current taxation		
UK corporation tax	378,067	312,767
Deferred taxation		
Arising from origination and reversal of timing differences	9,749	3,032
Tax expense in the income statement	387,816	315,799

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	1,571,570	1,287,466
Corporation tax at standard rate	298,598	244,619
Effect of expense not deductible in determining taxable profit (tax loss)	30,974	6,630
Deferred tax expense/(credit) relating to changes in tax rates or laws	9,749	(358)
Tax increase from effect of capital allowances and depreciation	48,495	64,908
Total tax charge	387,816	315,799

12 Intangible assets

	Goodwill £
Cost	
At 1 April 2019	4,050,000
Amortisation	
At 1 April 2019	1,964,166
Amortisation charge	405,000
At 31 March 2020	2,369,166
Carrying amount	
At 31 March 2020	1,680,834
At 31 March 2019	2,085,834

13 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost			
At 1 April 2019	402,105	344,888	746,993
Additions	-	268,615	268,615
At 31 March 2020	402,105	613,503	1,015,608
Depreciation			
At 1 April 2019	171,136	181,884	353,020
Charge for the period	40,895	92,070	132,965
At 31 March 2020	212,031	273,954	485,985
Carrying amount			
At 31 March 2020	190,074	339,549	529,623
At 31 March 2019	230,969	163,004	393,973

Included within the net book value of land and buildings above is £Nil (2019 - £Nil) in respect of freehold land and buildings and £190,074 (2019 - £230,969) in respect of short leasehold land and buildings.

14 Debtors

	31 March 2020 £	31 March 2019 £
Trade debtors	1,518,313	1,268,117
Other debtors	19,091	208,354
Prepayments	308,812	277,452
Amounts recoverable on contracts	1,122,995	982,592
Total current trade and other debtors	2,969,211	2,736,515

15 Creditors

	Note	31 March 2020 £	31 March 2019 £
Due within one year			
Loans and borrowings	16	319,502	315,940
Trade creditors		124,865	105,213
Social security and other taxes		420,149	313,058
Other creditors		1,310,092	1,661,044
Accrued expenses		346,869	321,732
Corporation tax liability	11	141,009	156,151
		2,662,486	2,873,138
Due after one year			
Loans and borrowings	16	76,565	187,151

16 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank borrowings	240,978	167,982
Bank overdrafts	78,524	147,958
	319,502	315,940

The bank loans and overdraft are secured by a mortgage debenture dated 10 July 2018. Limited guarantees have been given by A A Woods, D Endicott, D H N Inch, H G R Patel, J E Spratt, M C Hughes, S S Pangu, C Shaw, R Gwynne and L Gordon, which secure monies due, up to £600,000.

	2020 £	2019 £
Non-current loans and borrowings		
Bank borrowings	76,565	187,151

17 Deferred tax and other provisions

	Deferred tax £	Other provisions £	Total £
At 1 April 2019	50,944	114,520	165,464
Increase (decrease) in existing provisions	9,749	(33,840)	(24,091)
At 31 March 2020	60,693	80,680	141,373

18 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £233,649 (2019 - £194,853).

19 Share capital

Allotted, called up and fully paid shares

	31 March 2020 No.	£	31 March 2019 No.	£
Ordinary A shares of £0.00 each	925,000	925.00	1,200,000	1,200.00
Ordinary A1 shares of £0.00 each	1,100,000	1,100.00	1,375,000	1,375.00
Ordinary A2 shares of £0.00 each	1,200,000	1,200.00	1,475,000	1,475.00
Ordinary A3 shares of £0.00 each	1,300,000	1,300.00	-	-
Ordinary B to N shares of £0.00 each	20,000	20.00	22,000	22.00
	4,545,000	4,545	4,072,000	4,072

New shares allotted

During the year 1,300,000 Ordinary A3 shares having an aggregate nominal value of £1,300 were allotted for an aggregate consideration of £1,300.

During the year 2,000 Ordinary N shares having an aggregate nominal value of £2 were allotted for an aggregate consideration of £2.

The ordinary A, A1, A2 and A3 shares have full voting, dividend and capital distribution (including on winding up) rights.They do not confer any rights on redemption.

The ordinary B, C, D, F, G, H, J, K, L, M and N shares have dividends rights only.

20 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	290,062	290,062
Later than one year and not later than five years	735,235	938,430
Later than five years	113,750	198,750
	1,139,047	1,427,242

The amount of non-cancellable operating lease payments recognised as an expense during the year was £277,234 (2019 - £249,997).

Operating leases - lessor

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	25,525	25,525
Later than one year and not later than five years	40,236	65,761
	65,761	91,286

Total rents recognised as income in the period are £48,442 (2019 - £29,096).

21 Dividends

	31 March 2020 £	31 March 2019 £
Dividends paid	875,552	759,604

22 Related party transactions

Directors' transactions

Capital Loans

The directors have advanced to the company loans that are shown within other creditors due within one year. The amounts advanced, and outstanding at the year end are £847,862 (2019: £967,862).

Directors' goodwill loan account

On 1 May 2014, Spratt Endicott partnership was transferred to Spratt Endicott Limited. This transaction resulted in goodwill of £3,400,000 and created a liability to the directors. On 1 October 2014 Spratt Endicott Limited merged with Alfred Truman partnership. This transaction resulted in goodwill of £650,000 and created a liability to the directors. At the year end a balance of £458,119 (2019: £676,031) was still outstanding to the directors and is shown within other creditors due within one year.

The company pays rent for one office of £36,000 per annum split equally between the personal pension schemes of J E Spratt and D Endicott. There were no amounts outstanding at 31 March 2020 (2019: £nil).

The company pays rent for a second office of £25,752 per annum split between the personal pension schemes of J E Spratt 20.83%, D Endicott 20.83%, A A Woods 20.83%, H G R Patel 12.5%, C A Shaw 12.5% and a sixth unrelated person. There were no amounts outstanding at 31 March 2020 (2019: £nil).

The company pays rent for a third office of £71,900 per annum split equally between the personal pension schemes of J E Spratt, D Endicott, M C Hughes, A A Woods, D H Inch, H G R Patel, C Shaw and an eigth unrelated person. There were no amounts outstanding at 31 March 2020 (2019: £nil).

Registration number: 08030343

SPRATT ENDICOTT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

SPRATT ENDICOTT LIMITED

CONTENTS

SPRATT ENDICOTT LIMITED

COMPANY INFORMATION

Directors	LA Gordon R Gwynne DHN Inch PAR Mulcare SS Pangu HGR Patel CA Shaw JE Spratt AA Woods
Registered office	52-54 The Green Banbury OX16 9AB
Auditors	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

SPRATT ENDICOTT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their strategic report for the year ended 31 March 2020.

Principal activity
The principal activity of the company is the provision of legal services.

Fair review of the business
The results for the year, which are set out in the profit and loss account, show turnover of £8,535,856 (2019 - £7,546,747) and an operating profit of £1,438,616 (2019 - £1,150,234). At 31 March 2020, the company had net assets of £2,293,739 (2019 - £1,991,269). The directors consider the performance for the year and the financial position at the year end to be satisfactory.

Principal risks and uncertainties
Competition Risk
The legal services market is highly competitive. The company manages risk by carefully monitoring the quality of the service provided and ensuring the Spratt Endicott brand is well known and highly regarded.

Regulatory Risk
Changes in regulations are monitored by the directors and reviewed regularly. Changes in regulation that could affect the company's turnover are mitigated by the number of different income streams from various types of service. The company is aiming for Lexcel accreditation in the next year, which will demonstrate the commitment to compliance.

Financial Risk
The company has strong financial controls. Financial risks are closely monitored by review of monthly results, cash flow, budgeting, credit control and work in progress. Policies and procedures are aligned with ISO:27001, and all possible steps are taken to mitigate the risks of cyber crime ad money laundering.

Economic Risk
The UK's BREXIT vote has created some economic uncertainty. Maintaining a diverse range of services provided to a mix of client types mitigates this risk. Additionally, in 2020/21, with the advent of Covid-19, our revenues are much less certain. However, we have taken actions to minimise its impact.

Approved by the Board on 19/01/2021 and signed on its behalf by:

....

AA Woods
Director

SPRATT ENDICOTT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors of the company
The directors who held office during the year were as follows:

D Endicott (resigned 5 May 2020)

LA Gordon

R Gwynne

DHN Inch

PAR Mulcare (appointed 6 August 2019)

SS Pangu

HGR Patel

CA Shaw

JE Spratt

AA Woods

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The business' principal financial instruments comprise bank balances, work in progress, trade debtors and trade creditors. The main purpose of these instruments is to finance business operations.

In respect of bank balances, liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest.

Work in progress is managed in respect of price and liquidity risk by regular billing and monitoring of amounts unbilled. The amounts presented in the balance sheet are net of allowances for recovery rates and time unlikely to be billed.

Trade debtors are managed in respect of credit and cash flow risk by regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Disclosure of information to the auditors
Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

SPRATT ENDICOTT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

Approved by the Board on 11/01/2021 and signed on its behalf by:

....
AA Woods
Director

SPRATT ENDICOTT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

SPRATT ENDICOTT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATT ENDICOTT LIMITED

Opinion

We have audited the financial statements of Spratt Endicott Limited (the 'company') for the year ended 31 March 2020, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of 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 company's affairs as at 31 March 2020 and of its 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern. For example, it is difficult to evaluate all of the potential implications of the current COVID-19 outbreak on the company's trade, employees, customers, suppliers and the wider economy.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATT ENDICOTT LIMITED

Opinion on other matter prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, the directors are 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 directors determine 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRATT ENDICOTT LIMITED

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of this 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.

Andrew Harris
....
Andrew Harris (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Windsor House
Bayshill Road
Cheltenham
GL50 3AT

Date: 20 January 2021

SPRATT ENDICOTT LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2020

	Note	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Turnover	3	8,535,856	7,546,747
Administrative expenses		(7,157,682)	(6,436,291)
Other operating income	4	60,442	39,778
Operating profit	5	1,438,616	1,150,234
Other interest receivable and similar income	6	149,648	154,984
Interest payable and similar charges	7	(16,694)	(17,752)
		132,954	137,232
Profit before tax		1,571,570	1,287,466
Taxation	11	(387,816)	(315,799)
Profit for the financial year		1,183,754	971,667

The above results were derived from continuing operations.

The company has no other comprehensive income for the year.

The notes on pages 13 to 25 form an integral part of these financial statements.

SPRATT ENDICOTT LIMITED

(REGISTRATION NUMBER: 08030343)
BALANCE SHEET AS AT 31 MARCH 2020

	Note	31 March 2020 £	31 March 2019 £
Fixed assets			
Intangible assets	12	1,680,834	2,085,834
Tangible assets	13	529,623	393,973
		2,210,457	2,479,807
Current assets			
Debtors	14	2,969,211	2,736,515
Cash at bank and in hand		700	700
		2,969,911	2,737,215
Creditors: Amounts falling due within one year	15	(2,662,486)	(2,873,138)
Net current assets/(liabilities)		307,425	(135,923)
Total assets less current liabilities		2,517,882	2,343,884
Creditors: Amounts falling due after more than one year	15	(76,565)	(187,151)
Provisions for liabilities	17, 11	(141,373)	(165,464)
Net assets		2,299,944	1,991,269
Capital and reserves			
Called up share capital	19	4,545	4,072
Other reserves		10,000	10,000
Profit and loss account		2,285,399	1,977,197
Total equity		2,299,944	1,991,269

Approved and authorised by the Board on 11/01/2021 and signed on its behalf by:

AA Woods
Director

The notes on pages 13 to 25 form an integral part of these financial statements.

SPRATT ENDICOTT LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 April 2019	4,072	10,000	1,977,197	1,991,269
Profit for the year	-	-	1,183,754	1,183,754
Dividends	-	-	(875,552)	(875,552)
New share capital subscribed	1,302	-	-	1,302
Purchase of own share capital	(829)	-	-	(829)
At 31 March 2020	4,545	10,000	2,285,399	2,299,944

	Share capital £	Other reserves £	Profit and loss account £	Total £
At 1 May 2018	4,072	10,000	1,765,134	1,779,206
Profit for the year	-	-	971,667	971,667
Dividends	-	-	(759,604)	(759,604)
At 31 March 2019	4,072	10,000	1,977,197	1,991,269

The notes on pages 13 to 25 form an integral part of these financial statements.

SPRATT ENDICOTT LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Profit for the year		1,183,754	971,667
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	537,965	452,025
Finance income	6	(149,648)	(154,984)
Finance costs	7	16,694	17,752
Corporation tax expense	11	387,816	315,799
		1,976,581	1,602,259
Working capital adjustments			
Increase in trade debtors	14	(232,696)	(214,018)
Decrease in trade creditors	15	(199,072)	(518,713)
(Decrease)/increase in provisions	17	(33,840)	37,520
Cash generated from operations		1,510,973	907,048
Corporation taxes paid	11	(393,209)	(221,576)
Net cash flow from operating activities		1,117,764	685,472
Cash flows from investing activities			
Interest received	6	149,648	154,984
Acquisitions of tangible assets		(268,615)	(63,110)
Proceeds from sale of tangible assets		-	4,297
Net cash flows from investing activities		(118,967)	96,171
Cash flows from financing activities			
Interest paid	7	(16,694)	(17,752)
Proceeds from issue of ordinary shares, net of issue costs		1,302	-
Payments for purchase of own shares		(829)	-
Repayment of bank borrowing		(37,590)	(152,274)
Dividends paid	21	(875,552)	(759,604)
Net cash flows from financing activities		(929,363)	(929,630)
Net increase/(decrease) in cash and cash equivalents		69,434	(147,987)
Cash and cash equivalents at 1 April		(147,258)	729
Cash and cash equivalents at 31 March		(77,824)	(147,258)

The notes on pages 13 to 25 form an integral part of these financial statements.

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
52-54 The Green
Banbury
OX16 9AB

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation
These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Going concern
After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

Bad debt provision - Due to the nature of the business, there are high levels of trade debtors at the year end, and therefore a risk that some of these balances may be irrecoverable. A bad debt review is carried out by the credit control team where debts are assessed and provided against when the recoverability of these balances is considered to be uncertain. The carrying amount is £60,022 (2019 -£36,284).

Amounts recoverable on contracts - The process of assessing amounts recoverable on contracts and work in progress requires various estimates and judgements to be made. Fee earners are required to record time spent on client assignments, this is used as the basis for amounts recoverable on contracts and work in progress estimates. A year end report of time on all assignments is circulated to fee earners to identify likely recoverable amounts. Matters that have been carried out on a contingent basis (where the contingent event is yet to occur) are removed from the amounts recoverable on contracts valuation. The carrying amount is £1,122,995 (2019 -£982,592).

Client claims provision - The client claims provision is based on a review of potential claims and an assessment of any potential settlements that are considered likely as a result of these. The carrying amount is £80,680 (2019 -£114,520).

Revenue recognition

Revenue represents the fair value of services provided during the year on client assignments. Fair value reflects the amounts expected to be recoverable from clients based on time spent, skills provided and expenses incurred, and excludes VAT. Fee income is recognised as contract activity progresses and the right to consideration is secured, except where the final outcome cannot be assessed with reasonable certainty.

Fee income in respect of contingent fee assignments is recognised in the period when the contingent event occurs and collectability of the fee is assured.

Unbilled fee income on individual assignments is included as work in progress or amounts recoverable on contracts within debtors.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other 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 reporting date in the countries where the company operates and generates taxable income.

Deferred corporation tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets
Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation
Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold land and building	20% straight line
Plant and machinery	20% straight line
Fixtures, fittings and equipment	10% straight line
Computer equipment	20% straight line

Goodwill
Goodwill is amortised over its useful life.

Intangible assets
Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

Amortisation
Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	over 10 years

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings
Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions
Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Leases
Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends
Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification
Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement
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 financing 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.

Impairment
Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial 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.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired 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. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

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.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2020 £	2019 £
Rendering of services	8,535,856	7,546,747

The analysis of the company's turnover for the year by market is as follows:

	2020 £	2019 £
UK	8,491,020	7,449,041
Europe	36,985	65,349
Rest of world	7,851	32,357
	8,535,856	7,546,747

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2020 £	2019 £
Sub lease rental income	48,442	26,096
Miscellaneous other operating income	12,000	13,682
	60,442	39,778

5 Operating profit

Arrived at after charging:

	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Depreciation expense	132,965	80,776
Amortisation expense	405,000	371,250
Operating lease expense - property	277,234	249,997
Operating lease expense - plant and machinery	12,619	14,292

6 Other interest receivable and similar income

	2020 £	2019 £
Other interest income	1,209	-
Interest income on bank deposits	148,439	154,984
	149,648	154,984

7 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and borrowings	16,653	15,716
Interest expense on other finance liabilities	41	2,036
	16,694	17,752

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Wages and salaries	3,909,283	3,492,747
Social security costs	332,186	302,343
Pension costs, defined contribution scheme	233,649	194,853
	4,475,118	3,989,943

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	Year ended 31 March 2020 No.	1 May 2018 to 31 March 2019 No.
Administration and support	140	141

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	186,991	119,624
Pension contributions	71,482	69,800
	258,473	189,424

10 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	16,500	15,800

11 Taxation

Tax charged in the profit and loss account

	Year ended 31 March 2020 £	1 May 2018 to 31 March 2019 £
Current taxation		
UK corporation tax	378,067	312,767
Deferred taxation		
Arising from origination and reversal of timing differences	9,749	3,032
Tax expense in the income statement	387,816	315,799

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	1,571,570	1,287,466
Corporation tax at standard rate	298,598	244,619
Effect of expense not deductible in determining taxable profit (tax loss)	30,974	6,630
Deferred tax expense/(credit) relating to changes in tax rates or laws	9,749	(358)
Tax increase from effect of capital allowances and depreciation	48,495	64,908
Total tax charge	387,816	315,799

12 Intangible assets

	Goodwill £
Cost	
At 1 April 2019	4,050,000
Amortisation	
At 1 April 2019	1,964,166
Amortisation charge	405,000
At 31 March 2020	2,369,166
Carrying amount	
At 31 March 2020	1,680,834
At 31 March 2019	2,085,834

13 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost			
At 1 April 2019	402,105	344,888	746,993
Additions	-	268,615	268,615
At 31 March 2020	402,105	613,503	1,015,608
Depreciation			
At 1 April 2019	171,136	181,884	353,020
Charge for the period	40,895	92,070	132,965
At 31 March 2020	212,031	273,954	485,985
Carrying amount			
At 31 March 2020	190,074	339,549	529,623
At 31 March 2019	230,969	163,004	393,973

Included within the net book value of land and buildings above is £Nil (2019 - £Nil) in respect of freehold land and buildings and £190,074 (2019 - £230,969) in respect of short leasehold land and buildings.

14 Debtors

	31 March 2020 £	31 March 2019 £
Trade debtors	1,518,313	1,268,117
Other debtors	19,091	208,354
Prepayments	308,812	277,452
Amounts recoverable on contracts	1,122,995	982,592
Total current trade and other debtors	2,969,211	2,736,515

15 Creditors

	Note	31 March 2020 £	31 March 2019 £
Due within one year			
Loans and borrowings	16	319,502	315,940
Trade creditors		124,865	105,213
Social security and other taxes		420,149	313,058
Other creditors		1,310,092	1,661,044
Accrued expenses		346,869	321,732
Corporation tax liability	11	141,009	156,151
		2,662,486	2,873,138
Due after one year			
Loans and borrowings	16	76,565	187,151

16 Loans and borrowings

	2020	2019
	£	£
Current loans and borrowings		
Bank borrowings	240,978	167,982
Bank overdrafts	78,524	147,958
	319,502	315,940

The bank loans and overdraft are secured by a mortgage debenture dated 10 July 2018. Limited guarantees have been given by A A Woods, D Endicott, D H N Inch, H G R Patel, J E Spratt, M C Hughes, S S Pangu, C Shaw, R Gwynne and L Gordon, which secure monies due, up to £600,000.

	2020	2019
	£	£
Non-current loans and borrowings		
Bank borrowings	76,565	187,151

17 Deferred tax and other provisions

	Deferred tax	Other provisions	Total
	£	£	£
At 1 April 2019	50,944	114,520	165,464
Increase (decrease) in existing provisions	9,749	(33,840)	(24,091)
At 31 March 2020	60,693	80,680	141,373

18 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £233,649 (2019 - £194,853).

19 Share capital

Allotted, called up and fully paid shares

	31 March 2020 No.	£	31 March 2019 No.	£
Ordinary A shares of £0.00 each	925,000	925.00	1,200,000	1,200.00
Ordinary A1 shares of £0.00 each	1,100,000	1,100.00	1,375,000	1,375.00
Ordinary A2 shares of £0.00 each	1,200,000	1,200.00	1,475,000	1,475.00
Ordinary A3 shares of £0.00 each	1,300,000	1,300.00	-	-
Ordinary B to N shares of £0.00 each	20,000	20.00	22,000	22.00
	4,545,000	4,545	4,072,000	4,072

New shares allotted

During the year 1,300,000 Ordinary A3 shares having an aggregate nominal value of £1,300 were allotted for an aggregate consideration of £1,300.

During the year 2,000 Ordinary N shares having an aggregate nominal value of £2 were allotted for an aggregate consideration of £2.

The ordinary A, A1, A2 and A3 shares have full voting, dividend and capital distribution (including on winding up) rights.They do not confer any rights on redemption.

The ordinary B, C, D, F, G, H, J, K, L, M and N shares have dividends rights only.

20 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	290,062	290,062
Later than one year and not later than five years	735,235	938,430
Later than five years	113,750	198,750
	1,139,047	1,427,242

The amount of non-cancellable operating lease payments recognised as an expense during the year was £277,234 (2019 - £249,997).

Operating leases - lessor

The total of future minimum lease payments is as follows:

	2020 £	2019 £
Not later than one year	25,525	25,525
Later than one year and not later than five years	40,236	65,761
	65,761	91,286

Total rents recognised as income in the period are £48,442 (2019 - £29,096).

21 Dividends

	31 March 2020 £	31 March 2019 £
Dividends paid	875,552	759,604

22 Related party transactions

Directors' transactions

Capital Loans

The directors have advanced to the company loans that are shown within other creditors due within one year. The amounts advanced, and outstanding at the year end are £847,862 (2019: £967,862).

Directors' goodwill loan account

On 1 May 2014, Spratt Endicott partnership was transferred to Spratt Endicott Limited. This transaction resulted in goodwill of £3,400,000 and created a liability to the directors. On 1 October 2014 Spratt Endicott Limited merged with Alfred Truman partnership. This transaction resulted in goodwill of £650,000 and created a liability to the directors. At the year end a balance of £458,119 (2019: £676,031) was still outstanding to the directors and is shown within other creditors due within one year.

The company pays rent for one office of £36,000 per annum split equally between the personal pension schemes of J E Spratt and D Endicott. There were no amounts outstanding at 31 March 2020 (2019: £nil).

The company pays rent for a second office of £25,752 per annum split between the personal pension schemes of J E Spratt 20.83%, D Endicott 20.83%, A A Woods 20.83%, H G R Patel 12.5%, C A Shaw 12.5% and a sixth unrelated person. There were no amounts outstanding at 31 March 2020 (2019: £nil).

The company pays rent for a third office of £71,900 per annum split equally between the personal pension schemes of J E Spratt, D Endicott, M C Hughes, A A Woods, D H Inch, H G R Patel, C Shaw and an eigth unrelated person. There were no amounts outstanding at 31 March 2020 (2019: £nil).