

Report of the Directors and
Financial Statements for the Year Ended 31 March 2021
for
Ince Gordon Dadds Professional Services Ltd



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for the Year Ended 31 March 2021

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Ince Gordon Dadds Professional Services Ltd

Company Information
for the Year Ended 31 March 2021

DIRECTORS:

A J Biles
J C M Biles

SECRETARY:

Ince GD Corporate Services Limited

REGISTERED OFFICE:

Llanmaes
Michaelston Road
St. Fagans
Cardiff
CF5 6DU

REGISTERED NUMBER:

08993648 (England and Wales)

AUDITORS:

Saffery Champriess LLP
71 Queen Victoria Street
London
EC4V 4BE

Report of the Directors
for the Year Ended 31 March 2021

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of legal services.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

A J Biles
J C M Biles

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements.

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.

At the date of this report, the company is taking the COVID-19 threat to its clients, vendors, staff and overall business very seriously. The company is taking proactive action and is activating business continuity plans to minimise the risk of disruption to business operations, taking account of Government advice and the need to safeguard the health of our work force. At this stage, the impact on our business and results is limited. Over the years, the firm's strengths in financial management and control, including working capital management have served the business well and this has continued to be the case throughout the COVID-19 crisis. We will continue to follow the various national institutes' policies and advice and in parallel will do our utmost to continue our operations in the best and safest way possible without jeopardising the health of our people.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The Audit Committee of the Company's parent, The Ince Group plc, is undertaking a review of its audit arrangements and has received initial presentations from a number of firms (including Saffery Champness, the Company's current auditors) with a view to proposing one of them as its auditors at that company's annual general meeting. It is the intention of the directors to appoint the firm chosen by its parent as auditors.

ON BEHALF OF THE BOARD:



J C M Biles - Director

Date: 22/09/2021

Opinion

We have audited the financial statements of Ince Gordon Dadds Professional Services Ltd (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the company as at 31 March 2021 and of its profit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101; 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 Auditors' 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

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Directors.

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; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a Strategic Report and in preparing the Directors' Report.

Report of the Independent Auditors to the Members of
Ince Gordon Dadds Professional Services Ltd

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, 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 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.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006, and UK Tax legislation.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
Ince Gordon Dadds Professional Services Ltd

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Saffery Champness LLP

Michael Strong (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Date: 23 September 2021

Statement of Comprehensive Income
for the Year Ended 31 March 2021

	Notes	31/3/21 £'000	31/3/20 £'000
REVENUE	3	381	530
Administrative expenses		<u>377</u>	<u>524</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION	5	4	6
Tax on profit	6	<u>1</u>	<u>1</u>
PROFIT FOR THE FINANCIAL YEAR		3	5
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>3</u></u>	<u><u>5</u></u>

The notes form part of these financial statements

Statement of Financial Position

31 March 2021

	Notes	31/3/21 £'000	31/3/20 £'000
CURRENT ASSETS			
Debtors	7	130	116
Cash at bank		<u>1</u>	<u>12</u>
		131	128
CREDITORS			
Amounts falling due within one year	8	<u>128</u>	<u>128</u>
NET CURRENT ASSETS		<u>3</u>	<u>-</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3</u>	<u>-</u>
CAPITAL AND RESERVES			
Called up share capital	9	-	-
Retained earnings	10	<u>3</u>	<u>-</u>
SHAREHOLDERS' FUNDS		<u>3</u>	<u>-</u>

The financial statements were approved by the Board of Directors and authorised for issue on 22/09/2021 and were signed on its behalf by:



J C M Bates - Director

Statement of Changes in Equity
for the Year Ended 31 March 2021

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 April 2019	-	(5)	(5)
Changes in equity			
Total comprehensive income	-	5	5
Balance at 31 March 2020	-	-	-
Changes in equity			
Total comprehensive income	-	3	3
Balance at 31 March 2021	-	3	3

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2021

1. **GENERAL INFORMATION**

Ince Gordon Dadds Professional Services Limited (the company) provides legal services.

The company is a limited liability company incorporated and domiciled in the UK. The address of its registered office is Llanmaes, Michaelston Road, St. Fagans, Cardiff, United Kingdom, CF5 6DU.

The company's financial statements have been consolidated in the group accounts of The Ince Group plc. The group accounts of The Ince Group plc are available to the public and can be obtained from the following address: Aldgate Tower, 2 Leman Street, London, United Kingdom, E1 8QN.

2. **ACCOUNTING POLICIES**

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has prepared its business plan on a conservative basis and is satisfied that on the basis that its business plan is achieved, adequate financial resources will be available to it until at least 12 months after the approval date of the financial statements. Accordingly, the financial statements have been produced on a going concern basis.

They have also considered the impact of adverse changes resulting from the major risks and uncertainties they consider apply to the company. At the date of this report, the company is taking the Covid-19 threat to its clients, vendors, staff and overall business very seriously. The company is taking proactive action and has activated business continuity plans, where required across the jurisdictions in which the company operates, to minimise the risk of disruption to business operations. In doing this, the company has taken account of government advice in the jurisdictions in which it operates and the need to safeguard the health of its clients. The directors will continue to follow the various locations' national policies and advice and in parallel will do their utmost to continue operations in the best and safest way possible without jeopardising anyone's health.

The directors have a reasonable expectation that the company will have adequate resources to continue in operational existence for the next 12 months.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52 the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases; the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

Fees and commissions

Fees comprise the fair value of the sale of services, net of value-added tax, rebates and discounts. Income is recognised when the company has performed services in accordance with the agreement with the relevant client and has obtained a right to consideration for those services. Where such income has not been billed at the Statement of Financial Position date, it is included in accrued income. Interest income is recognised on a time-proportion basis using the effective interest method.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

Financial instruments

The company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are recognised on trade date when the company becomes a party to the contractual provisions of the instrument. Financial instruments are recognised initially at fair value plus, in the case of a financial instrument not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument. Financial instruments are derecognised on trade date when the company is no longer a party to the contractual provisions of the instrument.

Financial assets are included on the Statement of Financial Position as trade and other receivables and cash and cash equivalents.

Financial liabilities are included on the Statement of Financial Position as trade and other payables and borrowings.

Trade receivables

Trade receivables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash receipts over the short credit period is not considered to be material. Trade receivables are reduced by appropriate allowances for estimated irrecoverable amounts.

Trade payables

Trade payables are stated at their original invoiced value, as the interest that would be recognised from discounting future cash payments over the short payment period is not considered to be material.

Interest-bearing borrowings

Interest-bearing borrowings are stated at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the Statement of Financial Position date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the Statement of Financial Position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Comprehensive Income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the Statement of Financial Position date.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future where necessary. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The directors are not aware of any sources of estimation uncertainty at the Statement of Financial Position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Capital management

The company's objectives when managing capital are:

- to safeguard the company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The company sets the amount of capital in proportion to risk. The company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The company monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt ÷ adjusted capital. Net debt is calculated as total debt (as shown in the Statement of Financial Position) less cash and cash equivalents. Adjusted capital comprises all components of equity.

3. **REVENUE**

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. There is only one business segment being the provision of legal services.

A geographical segment is a group of assets and operations engaged in providing products or services subject to risks and returns based on a geographical location. There is only one geographical segment, being the United Kingdom

4. **EMPLOYEES AND DIRECTORS**

No Directors received any fees or remuneration during the year ended 31 March 2021 (2020: £Nil)

5. **PROFIT BEFORE TAXATION**

The profit before taxation is stated after charging:

	31/3/21	31/3/20
	£'000	£'000
Auditor's remuneration	<u>2</u>	<u>2</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

6. **TAXATION**

Analysis of tax expense

	31/3/21 £'000	31/3/20 £'000
Current tax:		
Tax	<u>1</u>	<u>1</u>
Total tax expense in statement of comprehensive income	<u>1</u>	<u>1</u>

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/3/21 £'000	31/3/20 £'000
Amounts owed by group undertakings	22	44
Other debtors	<u>108</u>	<u>72</u>
	<u>130</u>	<u>116</u>

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31/3/21 £'000	31/3/20 £'000
Trade creditors	-	34
Tax	2	1
Accruals and deferred income	<u>126</u>	<u>93</u>
	<u>128</u>	<u>128</u>

9. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31/3/21	31/3/20
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

All shares rank equally as regards dividends, other distributions and returns of capital. All shares each carry the right to one vote.

10. **RESERVES**

The profit and loss reserve represents the cumulative realised profits or losses net of dividends paid and other adjustments.

11. **RELATED PARTY DISCLOSURES**

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

12. **ULTIMATE CONTROLLING PARTY**

The company's immediate parent company is Ince Gordon Dadds LLP and its results are consolidated in the consolidated financial statements of Ince Gordon Dadds LLP.

The ultimate parent company is The Ince Group plc, a company incorporated in England and Wales. The Ince Group Plc is owned by its shareholders and there is no ultimate controlling party.

These financial statements provide information about Ince Gordon Dadds Professional Services Limited as an individual undertaking. Copies of the consolidated financial statements of The Ince Group plc, the largest group of undertakings that consolidates the financial statements of Ince Gordon Dadds Professional Services Limited as at 31 March 2021, can be obtained from the Company Secretary at Aldgate Tower, 2 Leman Street, London, United Kingdom, E1 8QN.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2021

13. GUARANTEE FOR ULTIMATE PARENT

The Company together with many fellow subsidiaries has provided a guarantee, secured against its assets and business, of a bank loan to its ultimate parent. The facility totals £17.0 million and, at the year end, a term loan of £9.0 million and RCF loan of £5.5m was outstanding under the facility.