

**Company Registration No. 11800382 (England and Wales)**

**CS Law Limited**

**Annual report and  
group financial statements  
for the year ended ended 31 March 2020**

**CS Law Limited**

**Company information**

---

<b>Directors</b>	Claire Barker	
	Timothy Bittleston	(Appointed 26 June 2019)
	David Bush	(Appointed 1 April 2019)
	Simon David	
	Edward Dorbin	
	Jeremy French	(Appointed 7 October 2019)

**Company number** 11800382

**Registered office** 1330 Montpellier Court  
Gloucester Business Park  
Gloucester  
England  
GL3 4AH

**Independent auditor** Saffery Champness LLP  
St Catherine's Court  
Berkeley Place  
Clifton  
Bristol  
BS8 1BQ

---

**CS Law Limited**

**Contents**

---

	<b>Page</b>
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditor's report	5 - 7
Group statement of comprehensive income	8
Group statement of financial position	9 - 10
Company statement of financial position	11 - 12
Group statement of changes in equity	13
Company statement of changes in equity	14
Group statement of cash flows	15
Notes to the financial statements	16 - 34

---

## **CS Law Limited**

### **Strategic report**

**For the year ended ended 31 March 2020**

---

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

#### **Fair review of the business**

CS Law Limited was incorporated to act as a holding company for two companies, TBD Legal Limited and Equilaw Limited, which were previously under mutual control. CS Law Limited gaining control on 14 February 2019 and consolidating their results from this date.

The group are providers of conveyancing services specialising in conveyancing for equity release and for high value properties in London and the West of England. Over the financial year ending 31st March 2020 the trading companies within the group have generated growth in both turnover and operating profit, achieving turnover of £10,929,017 and operating profits of £789,005.

Whilst the Equity Release market only grow marginally in the year, Equilaw has further grown its market share of the equity release conveyancing market. Thomas Legal has grown by over 10% in the last year. In addition to turnover growth both companies continue to invest in their staff and technology to improve efficiency and to provide a continually improving service to our clients.

As such, both companies are positioned strongly to take advantage of further growth opportunities. It is anticipated that equity release will continue to grow as it is increasingly seen as a standard product for addressing borrowing requirements for homeowners approaching, or in, retirement.

The group is committed to increasing investment in technology in the future as it believes that a combination of technology development and staff retention and training will ensure that the company is geared for growth.

The group has been impacted by Covid-19 in the early part of the new trading year. For the first quarter of the year, revenue was down by over 20%. The group has taken advantage of the governments Job Retention Scheme to offset salary costs. Since the first quarter, volumes have risen for both companies and revenue has returned to expected levels. The Directors continue to closely monitor the on-going market place however the group currently has a high level of cash reserves and has agreed a CBiLS loan to give further cash flow protection.

#### **Principal risks and uncertainties**

The major risk the group faces is the stability of the UK housing market as there clearly is a strong correlation between the health of the housing market and revenue for the group. In addition, Equilaw relies solely on Equity Release for its revenue and so is subject to changing trends within this specialist market. The company mitigates this risk by ensuring that it plays a full part in the regulatory approach to equity release and ensuring that it has deep relationships with key financial advisors and ultimately lenders into the Equity Release market.

At the present time, the directors are taking the impact of Covid-19 seriously and have taken appropriate action to mitigate the impact, including making use of government support available and close monitoring of cash flow. While the recent relaxation of certain government restrictions has seen trade pick up again there is still an element of inherent uncertainty in the economy, however, the directors are confident that the measures taken, and financial position of the Group, mean that they are well placed to address this threat.

**CS Law Limited**

**Strategic report (continued)**

**For the year ended ended 31 March 2020**

---

**Key performance indicators**

The group uses a number of KPIs to manage the business including revenue growth, return on sales and cash generation as measured by operating cash flow.

For the year ending 31/3/2020 both Equilaw and Thomas Legal demonstrated good rates of growth on the above KPIs and the directors are confident that this trend will continue.

On behalf of the board

Jeremy French

**Director**

22 September 2020

## **CS Law Limited**

### **Directors' report**

**For the year ended ended 31 March 2020**

---

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

#### **Principal activities**

The company was incorporated on 31 January 2019 to act as a holding company. The principal activity of the group was the provision of legal services.

#### **Directors**

The directors who held office during the year ended and up to the date of signature of the financial statements were as follows:

Claire Barker	
Timothy Bittleston	(Appointed 26 June 2019)
David Bush	(Appointed 1 April 2019)
Simon David	
Edward Dorbin	
David Goffin	(Resigned 30 September 2019)
Jeremy French	(Appointed 7 October 2019)

#### **Results and dividends**

The results for the year ended are set out on page 8.

Ordinary dividends were paid amounting to £1,141,680. The directors do not recommend payment of a further dividend.

#### **Future developments**

Future events and developments have been covered in the strategic report.

#### **Auditor**

Saffery Champness LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Directors' report (continued)**

**For the year ended ended 31 March 2020**

---

**Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Jeremy French  
**Director**

22 September 2020

## **CS Law Limited**

### **Independent auditor's report To the members of CS Law Limited**

---

#### **Opinion**

We have audited the financial statements of CS Law Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended ended 31 March 2020 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group 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 FRS 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 group's and the parent company's affairs as at 31 March 2020 and of the group's profit for the year ended 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 group's or the parent 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.



## **CS Law Limited**

### **Independent auditor's report (continued)**

#### **To the members of CS Law Limited**

---

#### **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.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 the knowledge and understanding of the group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

**CS Law Limited**

**Independent auditor's report (continued)**

**To the members of CS Law Limited**

---

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 group's and the parent 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 group or the parent 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**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 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.

**Neil Davies (Senior Statutory Auditor)**  
**for and on behalf of Saffery Champness LLP**

22 September 2020

**Chartered Accountants**  
**Statutory Auditors**

St Catherine's Court  
Berkeley Place  
Clifton  
Bristol  
BS8 1BQ

**CS Law Limited**

**Group statement of comprehensive income**  
**For the year ended ended 31 March 2020**

		<b>Year ended 31 March 2020 £</b>	<b>Period ended 31 March 2019 £</b>
	<b>Notes</b>		
<b>Turnover</b>	<b>3</b>	10,929,017	1,634,933
Cost of sales		(1,006,474)	(140,124)
<b>Gross profit</b>		9,922,543	1,494,809
Administrative expenses		(9,133,538)	(1,304,806)
<b>Operating profit</b>	<b>4</b>	789,005	190,003
Interest receivable and similar income		35,475	6,141
Interest payable and similar expenses		(88,322)	(8,801)
<b>Profit before taxation</b>		736,158	187,343
Tax on profit	<b>8</b>	(439,520)	(89,203)
<b>Profit for the financial year ended</b>		296,638	98,140

Profit for the financial year ended is all attributable to the owners of the parent company.

Total comprehensive income for the year ended is all attributable to the owners of the parent company.

CS Law Limited

**Group statement of financial position**  
**As at 31 March 2020**

			2020	2019
	Notes	£	£	£
<b>Fixed assets</b>				
Goodwill	10		6,337,736	7,981,774
Other intangible assets	10		101,862	-
			<u>6,439,598</u>	<u>7,981,774</u>
Total intangible assets			6,439,598	7,981,774
Tangible assets	11		141,452	197,540
			<u>6,581,050</u>	<u>8,179,314</u>
<b>Current assets</b>				
Debtors	14	680,342	576,287	
Cash at bank and in hand		1,999,935	1,378,394	
		<u>2,680,277</u>	<u>1,954,681</u>	
<b>Creditors: amounts falling due within one year</b>	15	(1,498,108)	(1,641,910)	
<b>Net current assets</b>			<u>1,182,169</u>	<u>312,771</u>
<b>Total assets less current liabilities</b>			<u>7,763,219</u>	<u>8,492,085</u>
<b>Creditors: amounts falling due after more than one year</b>	16	(1,654,646)	(1,589,297)	
<b>Provisions for liabilities</b>	18	(17,731)	(17,700)	
<b>Net assets</b>			<u>6,090,842</u>	<u>6,885,088</u>
<b>Capital and reserves</b>				
Called up share capital	20	30,456	30,000	
Share premium account	21	6,440,340	6,390,000	
Capital contribution reserve	21	345,354	424,147	
Profit and loss reserves		(725,308)	40,941	
<b>Total equity</b>			<u>6,090,842</u>	<u>6,885,088</u>

**CS Law Limited**

**Group statement of financial position (continued)**

**As at 31 March 2020**

---

The financial statements were approved by the board of directors and authorised for issue on 22 September 2020 and are signed on its behalf by:

Jeremy French  
**Director**

**CS Law Limited**

**Company statement of financial position  
As at 31 March 2020**

		2020	2019
	Notes	£	£
<b>Fixed assets</b>			
Investments	12	8,411,546	8,420,000
<b>Current assets</b>			
Debtors	14	166,667	16,542
Cash at bank and in hand		87,455	15,521
		254,122	32,063
<b>Creditors: amounts falling due within one year</b>	15	(127,097)	(20,773)
<b>Net current assets</b>		127,025	11,290
<b>Total assets less current liabilities</b>		8,538,571	8,431,290
<b>Creditors: amounts falling due after more than one year</b>	16	(1,654,646)	(1,575,853)
<b>Net assets</b>		6,883,925	6,855,437
<b>Capital and reserves</b>			
Called up share capital	20	30,456	30,000
Share premium account	21	6,440,340	6,390,000
Capital contribution reserve	21	345,354	424,147
Profit and loss reserves		67,775	11,290
<b>Total equity</b>		6,883,925	6,855,437

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £1,119,372 (2019 - £68,489 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

**CS Law Limited**

**Company statement of financial position (continued)**

**As at 31 March 2020**

---

The financial statements were approved by the board of directors and authorised for issue on 22 September 2020 and are signed on its behalf by:

Jeremy French

**Director**

**Company Registration No. 11800382**

CS Law Limited

Group statement of changes in equity  
For the year ended ended 31 March 2020

		Share capital	Share premium account	Capital contribution reserve	Profit and loss reserves	Total
	Notes	£	£	£	£	£
<b>Balance at 31 January 2019</b>		-	-	-	-	-
<b>Period ended 31 March 2019:</b>						
Profit and total comprehensive income for the period		-	-	-	98,140	98,140
Issue of share capital	20	30,000	6,390,000	-	-	6,420,000
Dividends	9	-	-	-	(66,000)	(66,000)
Transfers		-	-	432,948	-	432,948
Other movements		-	-	(8,801)	8,801	-
<b>Balance at 31 March 2019</b>		30,000	6,390,000	424,147	40,941	6,885,088
<b>Period ended 31 March 2020:</b>						
Profit and total comprehensive income for the period		-	-	-	296,638	296,638
Issue of share capital	20	456	50,340	-	-	50,796
Dividends	9	-	-	-	(1,141,680)	(1,141,680)
Other movements		-	-	(78,793)	78,793	-
<b>Balance at 31 March 2020</b>		30,456	6,440,340	345,354	(725,308)	6,090,842



CS Law Limited

Company statement of changes in equity  
For the year ended ended 31 March 2020

		Share capital	Share premium account	Capital contribution reserve	Profit and loss reserves	Total
	Notes	£	£	£	£	£
<b>Balance at 31 January 2019</b>		-	-	-	-	-
<b>Period ended 31 March 2019:</b>						
Profit and total comprehensive income for the period		-	-	-	68,489	68,489
Issue of share capital	20	30,000	6,390,000	-	-	6,420,000
Dividends	9	-	-	-	(66,000)	(66,000)
Transfers		-	-	432,948	-	432,948
Other movements		-	-	(8,801)	8,801	-
<b>Balance at 31 March 2019</b>		30,000	6,390,000	424,147	11,290	6,855,437
<b>Period ended 31 March 2020:</b>						
Profit and total comprehensive income for the period		-	-	-	1,119,372	1,119,372
Issue of share capital	20	456	50,340	-	-	50,796
Dividends	9	-	-	-	(1,141,680)	(1,141,680)
Other movements		-	-	(78,793)	78,793	-
<b>Balance at 31 March 2020</b>		30,456	6,440,340	345,354	67,775	6,883,925

CS Law Limited

Group statement of cash flows

For the year ended ended 31 March 2020

		2020	2019
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	25	2,669,035	252,231
Interest paid		(9,529)	-
Income taxes paid		(826,896)	-
<b>Net cash inflow from operating activities</b>		<u>1,832,610</u>	<u>252,231</u>
<b>Investing activities</b>			
Purchase of intangible assets		(101,862)	(7,202,510)
Purchase of tangible fixed assets		(54,865)	-
Proceeds on disposal of tangible fixed assets		-	(1,250)
Proceeds from other investments and loans		(441)	-
Interest received		35,475	6,141
<b>Net cash used in investing activities</b>		<u>(121,693)</u>	<u>(7,197,619)</u>
<b>Financing activities</b>			
Proceeds from issue of shares		50,796	6,420,000
Issue of debentures		-	2,000,000
Issue of borrowings		65,943	-
Repayment of borrowings		(64,435)	(30,218)
Dividends paid to equity shareholders		(1,141,680)	(66,000)
<b>Net cash (used in)/generated from financing activities</b>		<u>(1,089,376)</u>	<u>8,323,782</u>
<b>Net increase in cash and cash equivalents</b>		<u>621,541</u>	<u>1,378,394</u>
Cash and cash equivalents at beginning of year ended		<u>1,378,394</u>	<u>-</u>
<b>Cash and cash equivalents at end of year ended</b>		<u><u>1,999,935</u></u>	<u><u>1,378,394</u></u>

## **1 Accounting policies**

### **Company information**

CS Law Limited ("the company") is a private limited company incorporated in England and Wales. The registered office is 1330 Montpellier Court, Gloucester Business Park, Gloucester, England, GL3 4AH.

The group consists of CS Law Limited and all of its subsidiaries.

### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

### **1.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

**1 Accounting policies (continued)**

The group financial statements incorporate those of CS Law Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

**1.3 Going concern**

At the time of approving the financial statements, the Coronavirus pandemic has created inherent uncertainty in the economy. The directors have closely monitored the company's cash flows and have taken actions to protect these. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Reporting period**

The comparative results of the group and company represent a short period to align the year end with that of the subsidiaries.

**1.5 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts.

Revenue from contracts for the provision of legal services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by reference to milestone reached in the legal services provided. Where the outcome cannot be estimated reliable, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

---

**1 Accounting policies (continued)**

**1.6 Intangible fixed assets - goodwill**

Goodwill arising on the acquisition of subsidiaries represents the excess of the fair value of the consideration over the fair value of the identifiable assets and liabilities acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

**1.7 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Intangible assets arising from software are in relation to internally developed assets, not yet in use.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	Not yet amortised
----------	-------------------

**1.8 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Straight Line over the term of the lease
Fixtures and fittings	25% Straight Line
Computers	33% Straight Line

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

---

**1 Accounting policies (continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

**1.9 Fixed asset investments**

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

**1.10 Impairment of fixed assets**

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

**1.11 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

**1.12 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**1 Accounting policies (continued)**

***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

**1.13 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

**1.14 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

---

**1 Accounting policies (continued)**

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.15 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

**1.16 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.17 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.



**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

**2 Critical accounting judgements and key sources of estimation uncertainty**

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key areas of judgments in the financial statements include:

- The market rate of interest applied long term financing, which has been estimated by the directors to be 5%.
- The fair values applied to net assets in the group reconstruction, accounted for using the purchase method.
- The value attributed to unbilled revenue arising from the provision of services, for which the directors use historical data and contracted milestones in the legal process.
- Capitalisation of employee wages in relation to software development.

**3 Turnover and other revenue**

	2020	2019
	£	£
<b>Turnover analysed by class of business</b>		
Legal services	10,929,017	1,634,933
	<u>10,929,017</u>	<u>1,634,933</u>
<b>Turnover analysed by geographical market</b>		
UK	10,929,017	1,634,933
	<u>10,929,017</u>	<u>1,634,933</u>

**4 Operating profit**

	2020	2019
	£	£
Operating profit for the period is stated after charging:		
Depreciation of owned tangible fixed assets	110,953	17,695
Amortisation of intangible assets	1,635,584	204,599
Operating lease charges	171,148	27,522
	<u>1,917,685</u>	<u>249,816</u>

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

**5 Auditor's remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	6,000	6,000
Audit of the financial statements of the company's subsidiaries	28,000	26,000
	<u>34,000</u>	<u>32,000</u>

**6 Employees**

The average monthly number of persons (including directors) employed by the group and company during the year ended was:

<b>Group</b>		<b>Company</b>	
<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
114	108	18	2
<u>114</u>	<u>108</u>	<u>18</u>	<u>2</u>

Their aggregate remuneration comprised:

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	3,362,345	445,151	782,930	-
Social security costs	252,599	47,180	93,922	-
Pension costs	52,941	7,666	11,987	-
	<u>3,667,885</u>	<u>499,997</u>	<u>888,839</u>	<u>-</u>

**7 Directors' remuneration**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	511,335	74,311
Company pension contributions to defined contribution schemes	7,955	-
	<u>519,290</u>	<u>74,311</u>

Notes to the financial statements (continued)

For the year ended ended 31 March 2020

---

**7 Directors' remuneration (continued)**

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2019 - 0).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	150,915	-
	<u>          </u>	<u>          </u>

CS Law Limited

Notes to the financial statements (continued)  
For the year ended ended 31 March 2020

8 Taxation

	2020	2019
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	439,938	118,594
Adjustments in respect of prior periods	(449)	(31,934)
	<u>439,489</u>	<u>86,660</u>
Total current tax	<u>439,489</u>	<u>86,660</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	31	2,543
	<u>31</u>	<u>2,543</u>
Total tax charge	<u>439,520</u>	<u>89,203</u>

The actual charge for the year ended can be reconciled to the expected charge for the year ended based on the profit or loss and the standard rate of tax as follows:

	2020	2019
	£	£
Profit before taxation	<u>736,158</u>	<u>187,343</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	139,870	35,595
Tax effect of expenses that are not deductible in determining taxable profit	8,000	-
Depreciation on assets not qualifying for tax allowances	11,092	3,408
Amortisation on assets not qualifying for tax allowances	302,972	38,874
Research and development tax credit	(24,700)	-
Deferred tax adjustments in respect of prior years	130	1,274
Other differences	2,156	10,052
	<u>439,520</u>	<u>89,203</u>
Taxation charge	<u>439,520</u>	<u>89,203</u>

**CS Law Limited**

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

**9 Dividends**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Final paid	1,141,680	66,000

After the reporting date, dividends totalling £240,480 were declared and paid by the company.

**10 Intangible fixed assets**

<b>Group</b>	<b>Goodwill</b>	<b>Software</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 April 2019	8,186,373	-	8,186,373
Additions - internally developed	-	101,862	101,862
Disposals	(8,454)	-	(8,454)
At 31 March 2020	8,177,919	101,862	8,279,781
<b>Amortisation and impairment</b>			
At 1 April 2019	204,599	-	204,599
Amortisation charged	1,635,584	-	1,635,584
At 31 March 2020	1,840,183	-	1,840,183
<b>Carrying amount</b>			
At 31 March 2020	6,337,736	101,862	6,439,598
At 31 March 2019	7,981,774	-	7,981,774

The company had no intangible fixed assets at 31 March 2020 or 31 March 2019.

Notes to the financial statements (continued)  
For the year ended ended 31 March 2020

11 Tangible fixed assets

Group	Leasehold improve-ments	Fixtures and fittings	Computers	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2019	231,194	193,192	272,745	697,131
Additions	2,241	840	51,784	54,865
Disposals	-	-	(83,091)	(83,091)
At 31 March 2020	233,435	194,032	241,438	668,905
<b>Depreciation and impairment</b>				
At 1 April 2019	111,098	151,423	237,070	499,591
Depreciation charged in the year ended	61,417	20,036	29,500	110,953
Eliminated in respect of disposals	-	-	(83,091)	(83,091)
At 31 March 2020	172,515	171,459	183,479	527,453
<b>Carrying amount</b>				
At 31 March 2020	60,920	22,573	57,959	141,452
At 31 March 2019	120,096	41,769	35,675	197,540

CS Law Limited

Notes to the financial statements (continued)  
For the year ended ended 31 March 2020

12 Fixed asset investments

		Group 2020	2019	Company 2020	2019
	Notes	£	£	£	£
Investments in subsidiaries	13	-	-	8,411,546	8,420,000

Movements in fixed asset investments

Company

Shares in group  
undertakings

£

Cost or valuation

At 1 April 2019	8,420,000
Valuation changes	(8,454)

At 31 March 2020	8,411,546
------------------	-----------

Carrying amount

At 31 March 2020	8,411,546
At 31 March 2019	8,420,000

**CS Law Limited****Notes to the financial statements (continued)****For the year ended ended 31 March 2020****13 Subsidiaries**

Details of the company's subsidiaries at 31 March 2020 are as follows:

Name of undertaking	Registered office key	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Equilaw Limited	1330 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH	Legal services	Ordinary shares	100	
TBD Legal Limited	Brunswick House, 1310 Gloucester Business Park, Gloucester, GL3 4AH	Legal services	Ordinary shares	100	
Novex Software Limited	1330 Montpellier Court, Gloucester Business Park, Gloucester, GL3 4AH	Computer software	Ordinary shares	100	

The investments in subsidiaries are stated at cost.

**14 Debtors**

	Group 2020	2019	Company 2020	2019
Amounts falling due within one year:	£	£	£	£
Trade debtors	55,864	29,438	-	-
Gross amounts owed by contract customers	261,687	234,970	-	-
Amounts owed by group undertakings	-	-	166,534	-
Other debtors	48,531	35,427	133	4,042
Prepayments and accrued income	314,260	276,452	-	12,500
	<u>680,342</u>	<u>576,287</u>	<u>166,667</u>	<u>16,542</u>



CS Law Limited

Notes to the financial statements (continued)  
For the year ended ended 31 March 2020

**15 Creditors: amounts falling due within one year**

		<b>Group</b>		<b>Company</b>	
		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	<b>17</b>	15,413	66,404	-	-
Other borrowings	<b>17</b>	111,304	45,361	-	-
Trade creditors		372,695	225,420	10,596	2,773
Corporation tax payable		92,179	479,586	-	-
Other taxation and social security		465,349	410,038	60,890	-
Other creditors		29,321	33,772	3,443	-
Accruals and deferred income		411,847	381,329	52,168	18,000
		<u>1,498,108</u>	<u>1,641,910</u>	<u>127,097</u>	<u>20,773</u>

**16 Creditors: amounts falling due after more than one year**

		<b>Group</b>		<b>Company</b>	
		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>17</b>	-	13,444	-	-
Other borrowings	<b>17</b>	1,654,646	1,575,853	1,654,646	1,575,853
		<u>1,654,646</u>	<u>1,589,297</u>	<u>1,654,646</u>	<u>1,575,853</u>

**17 Loans and overdrafts**

		<b>Group</b>		<b>Company</b>	
		<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans		15,413	79,848	-	-
Loans from related parties		1,654,646	1,575,853	1,654,646	1,575,853
Other loans		111,304	45,361	-	-
		<u>1,781,363</u>	<u>1,701,062</u>	<u>1,654,646</u>	<u>1,575,853</u>
Payable within one year		126,717	111,765	-	-
Payable after one year		<u>1,654,646</u>	<u>1,589,297</u>	<u>1,654,646</u>	<u>1,575,853</u>

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

**17 Loans and overdrafts (continued)**

Bank loans are secured by way of a fixed and floating charge over the assets of a subsidiary dated 7 January 2015. All other loans are unsecured.

Loans from related parties consists of an interest free loan with a capital balance of £2,000,000. This has been discounted at a market rate of interest which the directors have assessed at 5%. The balance of the interest has been recognised as a capital contribution in reserves.

**18 Deferred taxation**

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	<b>Liabilities 2020 £</b>	<b>Liabilities 2019 £</b>
<b>Group</b>		
Accelerated capital allowances	17,731	17,700
	<u>          </u>	<u>          </u>

The company has no deferred tax assets or liabilities.

	<b>Group 2020 £</b>	<b>Company 2020 £</b>
<b>Movements in the year ended:</b>		
Liability at 1 April 2019	17,700	-
Charge to profit or loss	31	-
	<u>          </u>	<u>          </u>
Liability at 31 March 2020	17,731	-
	<u>          </u>	<u>          </u>

The majority of the deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances.

**19 Retirement benefit schemes**

	<b>2020 £</b>	<b>2019 £</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	52,941	7,666
	<u>          </u>	<u>          </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

**20 Share capital**

	<b>Group and company</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
20,060 (2019: 20,000) Ordinary shares of £1 each	20,060	20,000
10,000 Ordinary A shares of £1 each	10,000	10,000
396 (2019: -) Ordinary B shares of £1 each	396	-
	<hr/>	<hr/>
	30,456	30,000
	<hr/> <hr/>	<hr/> <hr/>

20,060 Ordinary share have full voting, dividend and capital distribution rights. 60 ordinary shares were issued on 26 June 2019 for consideration of £840 per share.

10,000 Ordinary A shares have voting, dividends and capital distribution rights. Voting rights are limited to 40% of the voting rights of all shares. These shares also confer the right to receive a dividend in preference to the holders of the ordinary shares.

396 Ordinary B shares were issued on 26 June 2019 for consideration of £1 per share. The Ordinary B shares have capital distribution rights but carry no voting or dividend rights.

**21 Reserves**

**Share premium**

Share premium brought forward related to the issue of 10,000 Ordinary A shares issued on 19 February 2019. The increase in the period related to the issue of 60 Ordinary shares on 26 June 2019.

**Capital redemption reserve**

The capital contribution reserve arose from the discounting of the interest free loan, referred to in note 17.

**Notes to the financial statements (continued)**  
**For the year ended ended 31 March 2020**

**22 Operating lease commitments****Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	181,993	170,224	-	-
Between two and five years	493,675	113,653	-	-
	<u>675,668</u>	<u>283,877</u>	<u>-</u>	<u>-</u>
	<u><u>675,668</u></u>	<u><u>283,877</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**23 Events after the reporting date**

After the reporting date, the company was approved for additional financing under the Coronavirus Business Interruption loan Scheme. The maximum value of the loan was £1m and it carried an interest rate of 1.88% per annum over base rate. No amounts have yet been drawn down.

**24 Related party transactions**

During the period the directors were advanced, and repaid £nil (2019: £9,129). No amounts were outstanding at the period end (2019: £nil)

Dividends paid to the directors during the period were £399,017 (2019: £40,000).

CS Law Limited

Notes to the financial statements (continued)  
For the year ended ended 31 March 2020

25 Cash generated from group operations

	2020	2019
	£	£
Profit for the year ended after tax	296,638	98,140
<b>Adjustments for:</b>		
Taxation charged	439,520	89,203
Finance costs	88,322	8,801
Investment income	(35,475)	(6,141)
Amortisation and impairment of intangible assets	1,635,584	204,599
Depreciation and impairment of tangible fixed assets	110,953	17,695
<b>Movements in working capital:</b>		
Increase in debtors	(95,160)	(28,633)
Increase/(decrease) in creditors	228,653	(131,433)
<b>Cash generated from operations</b>	<b>2,669,035</b>	<b>252,231</b>

26 Analysis of changes in net funds/(debt) - group

	1 April 2019	Cash flows 31 March 2020	
	£	£	£
Cash at bank and in hand	1,378,394	621,541	1,999,935
Borrowings excluding overdrafts	(1,701,062)	(80,301)	(1,781,363)
	<u>(322,668)</u>	<u>541,240</u>	<u>218,572</u>

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