REGISTERED NUMBER: 05584055 (England and Wales)

Financial Statements for the Year Ended 30 November 2016

for

Restons Solicitors Limited

Contents of the Financial Statements for the Year Ended 30 November 2016

Restons Solicitors Limited

Company Information
for the Year Ended 30 November 2016

DIRECTORS:	C J Reston Mrs S C Reston N P Coe
SECRETARY:	C J Reston
REGISTERED OFFICE:	Trinity Chambers 800 Mandarin Court Warrington Cheshire WA1 1GG
REGISTERED NUMBER:	05584055 (England and Wales)
SENIOR STATUTORY AUDITOR:	Martin Chatten
AUDITORS:	Royce Peeling Green Limited Statutory Auditor The Copper Room Deva Centre Trinity Way Manchester M3 7BG

Balance Sheet
30 November 2016

	Notes	30.11.16 £	30.11.15 £
FIXED ASSETS			
Intangible assets	4	-	-
Tangible assets	5	154,213	150,613
		154,213	150,613
CURRENT ASSETS			
Debtors	6	2,825,444	1,008,311
Cash at bank and in hand		3,112,209	2,233,410
		5,937,653	3,241,721
CREDITORS			
Amounts falling due within one year	7	(5,602,633)	(2,471,580)
NET CURRENT ASSETS		335,020	770,141
TOTAL ASSETS LESS CURRENT LIABILITIES		489,233	920,754
PROVISIONS FOR LIABILITIES		(24,729)	-
NET ASSETS		464,504	920,754
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Retained earnings	9	464,404	920,654
SHAREHOLDERS' FUNDS		464,504	920,754

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 29 June 2017 and were signed on its behalf by:

N P Coe - Director

**Notes to the Financial Statements
for the Year Ended 30 November 2016**

1. STATUTORY INFORMATION

Restons Solicitors Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements for the year ended 30th November 2016 are the first financial statements of Restons Solicitors Limited prepared in accordance with FRS 102 1A, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1st December 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 15.
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 £.

The principal accounting policies adopted are set out below.

Significant judgements and estimates
In the application of the company'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.

The key assumptions concerning the future and other key sources of estimation include uncertainties at the reporting date, which may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial periods, are discussed below.

Going concern
At the time of approving the financial statements, the directors 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.

Revenue recognition
Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, excluding value added tax.

Fee income that is contingent on events outside the control of the company is recognised when the contingent event occurs.

Goodwill
Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment loss.

In line with the requirements of FRS102 the Directors have completed a full review of intangible assets of the company. Following this review the Directors have considered the treatment of Goodwill and under the transitional requirements of FRS102 have reduced the useful economic life of the goodwill acquired in 2005 and as a result full provision has been made for the impairment at the date of first year adoption being 30th November 2014.

continued...

2. **ACCOUNTING POLICIES - continued**

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

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 credited or charged to profit or loss.

Fixed asset investments
Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Fixed asset investments which are listed on recognised stock exchanges are stated at year end market value. Fixed asset investments which are unlisted are stated at cost less provisions for reductions in value.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets
At each reporting period end date, the company 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have been adjusted.

continued...

2. **ACCOUNTING POLICIES - continued**

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with bank, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or 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.

continued...

2. **ACCOUNTING POLICIES - continued**

Derecognition of financial asets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company 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 company after deducting all of its 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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

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

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company'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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

continued...

2. **ACCOUNTING POLICIES - continued**

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 is charged or credited in the profit or loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. 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.

Foreign currencies

Transactions in foreign currency are translated at exchange rates approximating to the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences are recognised in the profit and loss account.

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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Provisions

A provision is recognised in the balance sheet when the company has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are recognised at their discounted net present value.

Liability limitation agreement

The company has entered into a liability limitation agreement with Royce Peeling Green Limited, the statutory auditor for the year ended 30 November 2016. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements, and has been approved by the shareholders.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 105 (2015 - 86).

continued...

4. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 December 2015	
and 30 November 2016	4,800,000
AMORTISATION	
At 1 December 2015	
and 30 November 2016	4,800,000
NET BOOK VALUE	
At 30 November 2016	-
At 30 November 2015	-

In line with the requirements of FRS102 the Directors have completed a full review of intangible assets of the company. Following this review the Directors have considered the treatment of Goodwill and under the transitional requirements of FRS102 have reduced the useful economic life of the goodwill acquired in 2005 and as a result full provision has been made for the impairment at the date of first year adoption being 30th November 2014.

5. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Computer equipment	Totals
	£	£	£	£
COST				
At 1 December 2015	305,849	49,916	304,878	660,643
Additions	-	44,650	27,321	71,971
Disposals	-	-	(7,692)	(7,692)
At 30 November 2016	305,849	94,566	324,507	724,922
DEPRECIATION				
At 1 December 2015	284,729	40,991	184,310	510,030
Charge for year	7,230	10,870	50,271	68,371
Eliminated on disposal	-	-	(7,692)	(7,692)
At 30 November 2016	291,959	51,861	226,889	570,709
NET BOOK VALUE				
At 30 November 2016	13,890	42,705	97,618	154,213
At 30 November 2015	21,120	8,925	120,568	150,613

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.16	30.11.15
	£	£
Trade debtors	2,650,146	949,104
Prepayments and accrued income	175,298	59,207
	2,825,444	1,008,311

continued...

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.11.16	30.11.15
	£	£
Trade creditors	433,210	179,916
Tax	190,374	84,139
Social security and other taxes	410,045	273,040
Other creditors	73,279	65,950
Directors' current accounts	2,724,321	1,371,894
Accrued expenses	1,771,404	496,641
	5,602,633	2,471,580

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.11.16	30.11.15
			£	£
55	'A' Ordinary	£1	55	55
45	'B' Ordinary	£1	45	45
			100	100

9. RESERVES

	Retained earnings
	£
At 1 December 2015	920,654
Profit for the year	1,543,750
Dividends	(2,000,000)
At 30 November 2016	464,404

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

As the income statement has been omitted from the filing copy of the financial statements the following information is provided in accordance with S444 (5B) of the Companies Act 2006 in relation to the audit report on the statutory financial statements.

The report of the Auditors was unqualified.

Martin Chatten (Senior Statutory Auditor)
for and on behalf of Royce Peeling Green Limited

11. CAPITAL COMMITMENTS

	30.11.16	30.11.15
	£	£
Contracted but not provided for in the financial statements	485,602	66,624

continued...

12. RELATED PARTY DISCLOSURES

C J Reston

Mr C J Reston is a director and controlling shareholder of Restons Solicitors Limited.

During the year dividends of £1,100,000 were paid (2015 £550,000).

Loans have been provided by C J Reston to the company with nil interest charged and is repayable on demand. The balance at the year end was £2,724,321 (2015: £1,371,894).

Mrs S C Reston

Mrs S C Reston is a director and shareholder of Restons Solicitors Limited.

During the year dividends of £900,000 were paid (2015 £450,000).

13. ULTIMATE CONTROLLING PARTY

The controlling party is C J Reston and Mrs S C Reston..

14. RECONCILIATIONS ON ADOPTION OF FRS 102

			30 November 2014	30 November 2015
	£	£		
Equity as reported under previous UK GAAP and under FRS 102			3,464,4777	920,754
As restated			824,477	920,754

Reconciliation of profit/(loss)

	Notes	2014 £
Profit/(loss) as reported under previous UK GAAP		1,049,123
Adjustments arising from transition to FRS 102:		
Impairment of Goodwill	1	(2,640,000)
Profit/(loss) reported under FRS 102		(1,590,877)

Notes to reconciliations on adoption of FRS 102

1.Impairment of Goodwill
On transition to FRS 102 the company remeasured Goodwill, resulting in an impairment of Goodwill totalling £2,640,000.

15. **TRANSITION TO FRS 102**

The company prepares its first financial statements that comply with FRS102 for the year ended 30 November 2016. The date of transition to FRS 102 is 1 December 2014.

In line with the requirements of FRS102 the directors have completed a full review of intangible assets of the company. Following this review the Directors have considered the treatment of Goodwill and under the transitional requirements of FRS102 have reduced the useful economic life of the goodwill acquired in 2005 and as a result full provision has been made for the impairment at the date of first year adoption being 30th November 2014.

The directors do not consider there to be any other significant changes in accounting policies compared to those previously used.