

# **Kaim Todner Solicitors Limited**

Registered number: 07167039

## **Directors' report and unaudited financial statements**

**For the period ended 31 August 2017**



**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	6	-	650,791
Tangible assets	7	-	38,510
		<u>-</u>	<u>689,301</u>
<b>Current assets</b>			
Stocks	8	-	850,000
Debtors: amounts falling due within one year	9	140,317	1,025,133
Bank & cash balances		-	4
		<u>140,317</u>	<u>1,875,137</u>
Creditors: amounts falling due within one year	10	-	(1,675,058)
<b>Net current assets</b>		<u>140,317</u>	<u>200,079</u>
<b>Total assets less current liabilities</b>		<u>140,317</u>	<u>889,380</u>
Creditors: amounts falling due after more than one year	11	-	(328,422)
<b>Provisions for liabilities</b>			
Deferred tax	13	-	(7,702)
<b>Net assets</b>		<u><u>140,317</u></u>	<u><u>553,256</u></u>
<b>Capital and reserves</b>			
Called up share capital	14	100,000	100,000
Profit and loss account		40,317	453,256
		<u><u>140,317</u></u>	<u><u>553,256</u></u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

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**KAIM TODNER SOLICITORS LIMITED**  
**REGISTERED NUMBER: 07167039**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2017**

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The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

  
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**T Howarth**  
Director

Date: 23 August 2018

The notes on pages 4 to 13 form part of these financial statements.

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**KAIM TODNER SOLICITORS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 May 2015</b>	100,000	202,563	302,563
<b>Comprehensive income for the period</b>			
Profit for the period	-	250,693	250,693
<b>At 1 September 2016</b>	100,000	453,256	553,256
<b>Comprehensive income for the period</b>			
Loss for the period	-	(412,939)	(412,939)
<b>At 31 August 2017</b>	100,000	40,317	140,317

The notes on pages 4 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**1. General information**

The Company is a private company limited by shares and is incorporated in England. The address of the registered office is Temple Chambers, Temple Avenue, London, EC4Y 0HP.

The principal activity of the Company was the provision of legal services up until 31 March 2017 when it ceased to trade.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements for the year ended 31 August 2017 are the Company's first financial statements that comply with FRS 102; the Company's date of transition is 1 May 2015.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

**2.2 Going concern**

The Company ceased to trade on 31 March 2017.

On 31 March 2017, all assets and liabilities were transferred to the Company's parent, One Legal Services (Trading as One Legal) Limited.

**2.3 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

**Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)**

**2.4 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the lease term.

**2.5 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

**2.6 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in the Statement of Income and Retained Earnings in the period in which they are incurred.

**2.8 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

*The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.*

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)**

**2.9 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.10 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Income and Retained Earnings over its useful economic life.

Goodwill paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of twenty years.

**2.11 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)**

**2.11 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

S/Term Leasehold Property	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance
Office equipment	-	25% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

**2.12 Impairment of fixed assets and goodwill**

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Work in progress and finished goods include labour and attributable overheads.

**2.14 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.15 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)****2.16 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**2.18 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**3. Employees**

The average monthly number of employees, including directors, during the period was 27 (2016 -44).

**4. Interest receivable**

	<b>31 August 2017 £</b>	<b>16 months ended 31 August 2016 £</b>
Other interest receivable	25	13,489
	<u>25</u>	<u>13,489</u>

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**KAIM TODNER SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**5. Interest payable and similar expenses**

	<b>31 August 2017 £</b>	<b>16 months ended 31 August 2016 £</b>
Bank interest payable	14,168	49,942
Other loan interest payable	-	1,361
	<u>14,168</u>	<u>51,303</u>

**6. Intangible assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 September 2016	<u>929,700</u>
At 31 August 2017	<u>929,700</u>
<b>Amortisation</b>	
At 1 September 2016	278,909
Impairment charge	650,791
At 31 August 2017	<u>929,700</u>
<b>Net book value</b>	
At 31 August 2017	<u>-</u>
At 31 August 2016	<u>650,791</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017

7. Tangible fixed assets

	S/Term Leasehold Property £	Fixtures & fittings £	Office equipment £	Total £
At 1 September 2016	60,254	44,334	27,504	132,092
Additions	-	18,941	-	18,941
Disposals	(60,254)	(63,275)	(27,504)	(151,033)
At 31 August 2017	-	-	-	-
At 1 September 2016	45,620	34,251	13,711	93,582
Charge for the period on owned assets	2,143	3,838	2,187	8,168
Disposals	(47,763)	(38,089)	(15,898)	(101,750)
At 31 August 2017	-	-	-	-
<b>Net book value</b>				
At 31 August 2017	-	-	-	-
At 31 August 2016	14,634	10,083	13,793	38,510

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**KAIM TODNER SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**8. Stocks**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Work in progress	-	850,000
	-	850,000

**9. Debtors**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	822,631
Amounts owed by group undertakings	140,317	-
Other debtors	-	172,905
Prepayments and accrued income	-	29,597
	140,317	1,025,133

**10. Creditors: Amounts falling due within one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	-	4,021
Bank loans	-	82,335
Trade creditors	-	693,584
Amounts owed to group undertakings	-	428,572
Corporation tax	-	47,252
Other taxation and social security	-	63,270
Other creditors	-	120,076
Accruals and deferred income	-	235,948
	-	1,675,058

**11. Creditors: Amounts falling due after more than one year**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Bank loans	-	328,422
	-	328,422

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**12. Loans**

Analysis of the maturity of loans is given below:

	2017 £	2016 £
<b>Amounts falling due within one year</b>		
Bank loans	-	82,335
<b>Amounts falling due 1-2 years</b>		
Bank loans	-	328,422
	<u>-</u>	<u>410,757</u>

**13. Deferred taxation**

	2017 £	2016 £
At beginning of year	7,702	-
Charged to profit or loss	-	7,702
Utilised in year	(7,702)	-
<b>At end of year</b>	<u>-</u>	<u>7,702</u>

The deferred taxation balance is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	-	7,702
	<u>-</u>	<u>7,702</u>

**14. Share capital**

	2017 £	2016 £
<b>Allotted, called up and fully paid</b>		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 AUGUST 2017**

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**15. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £7,287 (2016 - £19,910). Contributions totalling £nil (2016 - £3,328) were payable to the fund at the balance sheet date and are included in other creditors (Note 11).

**16. Related party transactions**

The directors did not receive any emoluments for their services to the Company during the year (2016: £250,346).

The Company made contributions of £2,655 (2016: £9,413) to the defined contributions pension schemes of directors during the year.

The Company has taken advantage of exemption granted by paragraph 33.1A of FRS 102 from disclosing related party transactions with group companies.

**17. Controlling party**

The Company is controlled by Mr T Howarth, director.

The immediate parent company is One Legal Services (Trading as One Legal) Limited, a company incorporated in England. One Legal Services (Trading as One Legal) Limited has its registered office at, 12 Eaton Avenue, Bukshaw Village, Lanxashire, PR7 7NA.

**18. First time adoption of FRS 102**

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.