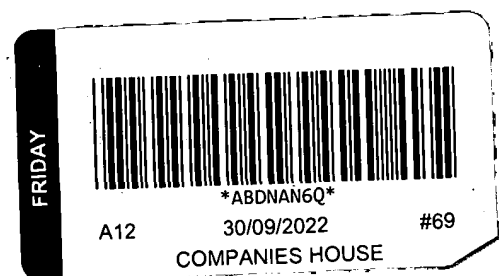


ELEVATE LEGAL SERVICES UK LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



ELEVATE LEGAL SERVICES UK LIMITED

COMPANY INFORMATION

Directors	S. Harmon L. J. M. Brown J. P. K. Croft
Company secretary	S. Harmon
Registered number	08484761
Registered office	One Central Parkway Newcastle Upon Tyne England NE1 3BZ
Independent auditors	Wilder Coe Ltd Chartered Accountants and Statutory Auditors 1st Floor Sackville House 143-149 Fenchurch Street London EC3M 6BL

ELEVATE LEGAL SERVICES UK LIMITED

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ELEVATE LEGAL SERVICES UK LIMITED
REGISTERED NUMBER: 08484761

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	4	72,353	67,906
Current assets			
Debtors	5	3,694,549	2,514,170
Cash at bank and in hand		554,529	1,517,919
		<u>4,249,078</u>	<u>4,032,089</u>
Creditors: amounts falling due within one year	6	(13,333,020)	(11,227,677)
Net current liabilities		<u>(9,083,942)</u>	<u>(7,195,588)</u>
Net liabilities		<u><u>(9,011,589)</u></u>	<u><u>(7,127,682)</u></u>
Capital and reserves			
Allotted, called up and fully paid share capital		100	100
Profit and loss account		(9,011,689)	(7,127,782)
Equity shareholders' deficit		<u><u>(9,011,589)</u></u>	<u><u>(7,127,682)</u></u>

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.

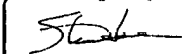
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the Small Companies' Regime.

The Company has opted not to file the Directors' Report and the Statement of Income and Retained Earnings in accordance with provisions applicable to companies subject to the Small Companies' Regime, under section 444 of the Companies Act 2006.

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

September 28, 2022

DocuSigned by:



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S. Harmon
Director

The notes on pages 2 to 7 form part of these financial statements.

ELEVATE LEGAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Elevate Legal Services UK Limited (company number: 08484761), having its registered office and principal place of business at One Central Parkway, Newcastle Upon Tyne, NE1 3BZ, is a private limited company incorporated in England and Wales.

2. Accounting policies

2.1 Basis of preparation of financial statements

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 following principal accounting policies have been applied:

2.2 Going concern

In 2021, the Company experienced a return to growth as the global economy settles after the uncertainty of Covid-19's impact in prior year.

At 31 December 2021, the Company had net liabilities of £9,011,589 (2020: £7,127,682), however the directors have prepared the financial statements on the going concern basis because the ultimate parent company has given assurance it will provide any necessary funding to ensure the company can meet its liabilities as they fall due.

The ultimate parent company's assurance is provided until the earlier of two events; (1) the company having adequate resources to meet its liabilities as they fall due or (2) after a year from the date the financial statements are approved by the directors.

2.3 Statement or Cash Flows

The Company has taken advantage of the exemption in Financial Reporting Standard 102 Section 1A.7 from the requirement to provide a Statement of Cash Flows on the grounds that it is a small company.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is British Pound Sterling GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'.

ELEVATE LEGAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Rendering of services

Turnover 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 turnover 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.

2.6 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.

2.7 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.

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. 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.

ELEVATE LEGAL SERVICES UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.9 Taxation

Tax is recognised in the Statement of Income and Retained Earnings.

The current corporation 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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

2.10 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.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Leasehold improvements	- over the term of the lease
Other fixed assets	- 2.5 years straight-line

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.

2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.12 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.

2.13 Creditors

Short-term creditors are measured at the transaction price.

ELEVATE LEGAL SERVICES UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****2. Accounting policies (continued)****2.14 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 and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the Balance Sheet date.

3. Employees

The average monthly number of employees, including directors, during the year was 120 (2020 - 95).

4. Tangible fixed assets

	Leasehold improvements £	Other fixed assets £	Total £
Cost			
At 1 January 2021	7,414	137,678	145,092
Additions	-	57,870	57,870
Disposals	-	(14,867)	(14,867)
At 31 December 2021	7,414	180,681	188,095
Depreciation			
At 1 January 2021	7,414	69,772	77,186
Charge for the year	-	53,423	53,423
Disposals	-	(14,867)	(14,867)
At 31 December 2021	7,414	108,328	115,742
Net book value			
At 31 December 2021	-	72,353	72,353
At 31 December 2020	-	67,906	67,906

ELEVATE LEGAL SERVICES UK LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****5. Debtors**

	2021 £	2020 £
Due within one year		
Trade debtors	1,259,499	780,292
Amounts owed by group undertakings	801,870	1,106,356
Other debtors	94,282	88,664
Prepayments and accrued income	1,538,898	538,858
	<u>3,694,549</u>	<u>2,514,170</u>

6. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	8,868	40,941
Amounts owed to group undertakings	12,105,698	10,365,622
Other taxation and social security	633,998	394,368
Other creditors	56,767	10,288
Accruals and deferred income	527,689	416,458
	<u>13,333,020</u>	<u>11,227,677</u>

7. 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 fund and amounted to £167,407 (2020: £146,839). Contributions totalling £87,351 (2020: £77,662) were payable to the fund at the Balance Sheet date and included in creditors.

8. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	184,409	95,567
Later than 1 year and not later than 5 years	218,506	74,653
	<u>402,915</u>	<u>170,220</u>

ELEVATE LEGAL SERVICES UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Related party transactions

Included within other debtors is amounts due from a company director of £74,905 (2020: £74,905). Interest is being charged at the HMRC official rate of interest.

The Company has taken advantage of the exemptions in Section 33.1A of FRS 102 and is therefore not disclosing related party transactions and abalances between wholly-owned companies within the same group.

10. Controlling party

As at 31 December 2021 and 31 December 2020 Elevate Services International B.V., a company incorporated in the Netherlands, was the immediate parent of Elevate Legal Services UK Limited.

As at 31 December 2021 and 31 December 2020 Elevate Services, Inc., a company incorporated in the United States of America, was the ultimate parent of Elevate Legal Services UK Limited.

The ultimate parent company prepares consolidated financial statements, which can be obtained from their registered address at Elevate Services, Inc, National Registered Agents, Inc. 1209 Orange Street, Wilmington, DE 19801, USA.

11. Auditors' information

The Company was subject to an audit for the year ended 31 December 2021. The audit report issued by Robert Bradman BA CA, as Senior Statutory Auditor of Wilder Coe Ltd, was issued with an unqualified opinion.