

**PREPARED FOR THE REGISTRAR  
OKELLS LAW LIMITED  
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

**Okells Law Limited**

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## **Okells Law Limited**

### **Company Information**

<b>Directors</b>	A D Morris D J Bullock
<b>Registered office</b>	Church Row Ross-on-Wye Herefordshire HR9 5HR
<b>Bankers</b>	NatWest plc Market Place Ross-on-Wye HR9 5BX
<b>Accountants</b>	Hazlewoods LLP Windsor House Bayshill Road Cheltenham GL50 3AT

**Okells Law Limited****(Registration number: 07221789)****Balance Sheet as at 31 March 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	146,250	159,250
Tangible assets	<u>5</u>	1,212	2,519
Other financial assets	<u>6</u>	381,772	314,418
		<u>529,234</u>	<u>476,187</u>
<b>Current assets</b>			
Debtors	<u>7</u>	283,044	198,063
Cash at bank and in hand		200	200
		<u>283,244</u>	<u>198,263</u>
Creditors: Amounts falling due within one year	<u>8</u>	(293,143)	(193,189)
Net current (liabilities)/assets		<u>(9,899)</u>	<u>5,074</u>
Total assets less current liabilities		519,335	481,261
Creditors: Amounts falling due after more than one year	<u>8</u>	(5,338)	(8,123)
Net assets		<u>513,997</u>	<u>473,138</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>513,897</u>	<u>473,038</u>
Total equity		<u>513,997</u>	<u>473,138</u>

For the financial year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 29 October 2019 and signed on its behalf by:

.....

A D Morris  
Director

The notes on pages 3 to 9 form an integral part of these financial statements.



## **Okells Law Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2019**

#### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:  
Church Row  
Ross-on-Wye  
Herefordshire  
HR9 5HR

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

##### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

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

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

##### **Judgements**

No significant judgements have been made by management in preparing these financial statements.

##### **Key sources of estimation uncertainty**

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

##### **Revenue recognition**

Turnover represents amounts receivable, net of value added tax, for provision of staff and other services to Okells with FrancisLaw LLP, a limited liability partnership providing legal services.

##### **Tax**

The tax expense for the period comprises corporation and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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



**Notes to the Financial Statements for the Year Ended 31 March 2019**

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

**Tangible assets**

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

**Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold improvements	20% of cost per annum
Computer equipment	25% of cost per annum
Office equipment	15% of cost per annum

**Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

**Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	5% per annum

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

**Trade debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors.



**Notes to the Financial Statements for the Year Ended 31 March 2019**

**Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

**Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

**Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

**Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

**Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

**Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Notes to the Financial Statements for the Year Ended 31 March 2019

### Financial instruments

#### **Classification**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

#### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

#### **Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

## Notes to the Financial Statements for the Year Ended 31 March 2019

## 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was as follows:

	2019 No.	2018 No.
Average number of employees	24	26

## 4 Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 April 2018	260,000
At 31 March 2019	260,000
<b>Amortisation</b>	
At 1 April 2018	100,750
Amortisation charge	13,000
At 31 March 2019	113,750
<b>Carrying amount</b>	
At 31 March 2019	146,250
At 31 March 2018	159,250

## 5 Tangible assets

	Office equipment £	Computer equipment £	Leasehold improvements £	Total £
<b>Cost</b>				
At 1 April 2018	2,995	25,093	15,217	43,305
At 31 March 2019	2,995	25,093	15,217	43,305
<b>Depreciation</b>				
At 1 April 2018	2,995	25,093	12,698	40,786
Charge for the year	-	-	1,307	1,307
At 31 March 2019	2,995	25,093	14,005	42,093
<b>Carrying amount</b>				
At 31 March 2019	-	-	1,212	1,212
At 31 March 2018	-	-	2,519	2,519

# Okells Law Limited

## Notes to the Financial Statements for the Year Ended 31 March 2019

### 6 Other financial assets

	Capital account in Okells with FrancisLaw LLP £
<b>Non-current financial assets</b>	
<b>Cost or valuation</b>	
At 1 April 2018	314,418
Additions	67,354
At 31 March 2019	381,772

### 7 Debtors

	2019 £	2018 £
Trade debtors	115,761	143,710
Other debtors	122,940	25,580
Prepayments	44,343	28,773
	283,044	198,063

### 8 Creditors

	Note	2019 £	2018 £
<b>Due within one year</b>			
Loans and borrowings	9	15,575	49,525
Social security and other taxes		40,620	46,662
Other creditors		183,639	37,491
Accrued expenses		6,934	18,605
Corporation tax liability		46,375	40,906
		293,143	193,189
<b>Due after one year</b>			
Loans and borrowings	9	5,338	8,123

**9 Loans and borrowings**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Current loans and borrowings</b>		
Bank overdrafts	12,790	24,782
Other borrowings	2,785	24,743
	<u>15,575</u>	<u>49,525</u>

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>5,338</u>	<u>8,123</u>

**10 Financial commitments, guarantees and contingencies**

**Amounts not provided for in the balance sheet**

The total amount of financial commitments not included in the balance sheet is £13,008 (2018 - £8,505).

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.