

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**FOR**

**FMC LAW LTD**

**PREVIOUSLY KNOWN AS**  
**FINDMYCLAIMS.COM LTD**

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**FOR THE YEAR ENDED 31 AUGUST 2020**

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**FMC LAW LTD**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**DIRECTORS:**

A Rana  
G Verschuur

**REGISTERED OFFICE:**

Kings Court  
London Road  
Stevenage  
Hertfordshire  
SG1 2NG

**REGISTERED NUMBER:**

06340985 (England and Wales)

**SENIOR STATUTORY AUDITOR:**

Stephen V Pike

**AUDITORS:**

Bradshaw Johnson  
Chartered Accountants  
Statutory Auditor  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2020**

The Directors present their strategic report on FMC Law Ltd for the year ended 31 August 2020.

**REVIEW OF THE BUSINESS**

The Company is a Regulated and Authorised Law Firm and the principal activity for the year under review has been the recovery of mis-sold Payment Protection Insurance (PPI) on behalf of clients. The deadline for making claims for mis-sold PPI was 29 August 2019. The company will continue to trade and will carry out all its requirements and obligations to settle and conclude all existing cases whilst developing a new business offering to bring to market to grow the revenues of the firm going forward.

FMC Law Limited's full year results show an almost complete cessation of billing following the final deadline for PPI claims and the main operation of the company has been recovery of all outstanding invoice debtors while concentrating on the development of the new business offering.

2019-20 Turnover was £50,973 down 99.61% from the prior year and Gross Loss was £1.17m as opposed to Gross Profit of £9.4m in the previous year.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**REGULATORY:** As an Authorised and Regulated Law Firm the company is subject to the SRA rules and regulations and in particular those relating to the treatment of Client Money, ensuring such funds are correctly managed in line with the SRA rules, are segregated from the Company money in Company bank accounts, and returned to Clients promptly.

**GDPR RISK:** The Company holds a significant volume of personal data on each of its clients in line with the process of providing the PPI claim recovery service. Under GDPR regulations the company has made significant investment in both physical and electronic security to ensure all such personal data is as fully protected as is reasonable under the circumstances of how it is dealt with and processed in managing customer claims.

**KEY PERSONNEL:** The business has a number of key individuals who have been instrumental in its development and are important to its ongoing success. Succession planning was used to mitigate this risk. The firm has aimed to retain skilled personnel in specialist areas of the business to ensure continuity of services and the appropriate skill levels to ensure the new offering is suitable and sufficiently developed to roll out to clients.

**GLOBAL HEALTH CRISIS:** The company has fully devolved to working from home for all staff during the current health crisis. All staff have access to full office and communication setups and meetings are regularly held using video conferencing facilities. Clients have been impacted by job losses and furlough as a result of the Covid pandemic and this has resulted in reductions in invoice or instalment payments from such clients.

**STRATEGIC FOCUS AND FUTURE DEVELOPMENTS**

The firm has invested heavily over the past year in developing a new business offering to bring to market and has made significant progress in attracting and working with new clients. The company is delighted with the progress to date on the new offering and considers the firm a going concern for the foreseeable future.

**ON BEHALF OF THE BOARD:**

G Verschuur - Director

27 May 2021

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

The directors present their report with the financial statements of the company for the year ended 31 August 2020.

**CHANGE OF NAME**

The company changed its name from FINDMYCLAIMS.COM LTD to FMC Law Ltd on 19 November 2020.

**DIVIDENDS**

There was no distribution of dividends for the year ended 31st August 2020 (2019: £500,000).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 September 2019 to the date of this report.

A Rana  
G Verschuur

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 company and of the profit or loss of the company 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 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Bradshaw Johnson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

G Verschuur - Director

27 May 2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**FMC LAW LTD**  
**PREVIOUSLY KNOWN AS FINDMYCLAIMS.COM LTD**

**Qualified opinion**

We have audited the financial statements of FMC Law Ltd (the 'company') for the year ended 31 August 2020 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matters described in the Basis for qualified opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2020 and of its loss for the year then ended, in accordance with United Kingdom Generally Accepted Accounting Practice and requirements of the Companies Act 2006.

**Basis for qualified 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 Auditors' responsibilities for the audit of the financial statements section of our expert. 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.

In the opinion of the directors, other debtors (falling due within one year) of £1,492,477 and an additional other debtor (falling due after more than one year) of £485,055 remains recoverable. However, we have been unable to obtain sufficient and appropriate evidence that these sums are recoverable. Therefore, except for this matter we believe that the financial statements give a true and fair view of the state of the company's affairs as at 31 August 2020.

**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 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.

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**FMC LAW LTD**  
**PREVIOUSLY KNOWN AS FINDMYCLAIMS.COM LTD**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 a Report of the Auditors 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 [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**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 a Report of the Auditors 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.

Stephen V Pike (Senior Statutory Auditor)  
for and on behalf of Bradshaw Johnson  
Chartered Accountants  
Statutory Auditor  
Croft Chambers  
11 Bancroft  
Hitchin  
Hertfordshire  
SG5 1JQ

27 May 2021

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	31.8.20 £	31.8.19 £
<b>TURNOVER</b>		50,973	12,948,524
Cost of sales		1,221,359	3,504,944
<b>GROSS (LOSS)/PROFIT</b>		(1,170,386)	9,443,580
Administrative expenses		614,956	4,527,388
<b>OPERATING (LOSS)/PROFIT</b>	5	(1,785,342)	4,916,192
Run-off insurance provision	6	280,000	-
		(2,065,342)	4,916,192
Interest receivable and similar income		280,050	234,734
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(1,785,292)	5,150,926
Tax on (loss)/profit	7	(379,711)	996,508
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(1,405,581)	4,154,418

The notes form part of these financial statements



**OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	31.8.20 £	31.8.19 £
Notes		
<b>(LOSS)/PROFIT FOR THE YEAR</b>	<b>(1,405,581)</b>	<b>4,154,418</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Repurchase of own shares	(3,999,999)	-
Income tax relating to other comprehensive income	-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	<b>(3,999,999)</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(5,405,580)</b>	<b>4,154,418</b>

**STATEMENT OF FINANCIAL POSITION**  
**31 AUGUST 2020**

	Notes	31.8.20 £	£	31.8.19 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		2,062		14,345
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	10	1,978,846		2,308,712	
Debtors: amounts falling due after more than one year	10	924,417		8,266,562	
Cash at bank		<u>11,753,315</u>		<u>11,322,363</u>	
		14,656,578		21,897,637	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>544,287</u>		<u>1,477,792</u>	
<b>NET CURRENT ASSETS</b>			<u>14,112,291</u>		<u>20,419,845</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			14,114,353		20,434,190
<b>PROVISIONS FOR LIABILITIES</b>	13		<u>82,467</u>		<u>996,723</u>
<b>NET ASSETS</b>			<u>14,031,886</u>		<u>19,437,467</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		3		4
Capital redemption reserve	15		1		-
Retained earnings	15		<u>14,031,882</u>		<u>19,437,463</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>14,031,886</u>		<u>19,437,467</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 May 2021 and were signed on its behalf by:

G Verschuur - Director

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
<b>Balance at 1 September 2018</b>	4	15,783,045	-	15,783,049
<b>Changes in equity</b>				
Dividends	-	(500,000)	-	(500,000)
Total comprehensive income	-	4,154,418	-	4,154,418
<b>Balance at 31 August 2019</b>	4	19,437,463	-	19,437,467
<b>Changes in equity</b>				
Issue of share capital	(1)	-	-	(1)
Total comprehensive income	-	(5,405,581)	1	(5,405,580)
<b>Balance at 31 August 2020</b>	3	14,031,882	1	14,031,886

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	31.8.20 £	31.8.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(6,637,273)	4,195,207
Tax paid		<u>(541,903)</u>	<u>(3,361,113)</u>
Net cash from operating activities		<u>(7,179,176)</u>	<u>834,094</u>
<b>Cash flows from investing activities</b>			
Sale of tangible fixed assets		4,129	(548,207)
Interest received		<u>280,050</u>	<u>234,734</u>
Net cash from investing activities		<u>284,179</u>	<u>(313,473)</u>
<b>Cash flows from financing activities</b>			
Amount introduced by directors		7,325,950	1,353,720
Amount withdrawn by directors		-	(6,148,813)
Share issue		(1)	-
Equity dividends paid		<u>-</u>	<u>(500,000)</u>
Net cash from financing activities		<u>7,325,949</u>	<u>(5,295,093)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>430,952</u>	<u>(4,774,472)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	11,322,363	16,096,835
<b>Cash and cash equivalents at end of year</b>	2	<u>11,753,315</u>	<u>11,322,363</u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.8.20	31.8.19
	£	£
(Loss)/profit before taxation	(1,785,292)	5,150,926
Depreciation charges	12,283	89,557
(Profit)/loss on disposal of fixed assets	(4,129)	548,207
Provision for dilapidation	-	(179,090)
Finance income	(280,050)	(234,734)
	(2,057,188)	5,374,866
Decrease/(increase) in trade and other debtors	258,578	(441,008)
Decrease in trade and other creditors	(4,838,663)	(738,651)
<b>Cash generated from operations</b>	<b>(6,637,273)</b>	<b>4,195,207</b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 August 2020**

	31.8.20	1.9.19
	£	£
Cash and cash equivalents	11,753,315	11,322,363

**Year ended 31 August 2019**

	31.8.19	1.9.18
	£	£
Cash and cash equivalents	11,322,363	16,096,835

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.19	Cash flow	At 31.8.20
	£	£	£
<b>Net cash</b>			
Cash at bank	11,322,363	430,952	11,753,315
	11,322,363	430,952	11,753,315
<b>Total</b>	11,322,363	430,952	11,753,315

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**1. STATUTORY INFORMATION**

FMC Law Ltd 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.

The presentation currency of the financial statements is the GB Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

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

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

The accounts have been prepared on the going concern basis. The main activity of the Company used to be processing mis-sold PPI claims and the deadline for these claims to be made passed on 29 August 2019. Since then the directors have continued in business with the introduction of new legal products.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**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.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**3. ACCOUNTING POLICIES - continued**

**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.

**4. EMPLOYEES AND DIRECTORS**

	31.8.20	31.8.19
	£	£
Wages and salaries	1,064,929	4,117,670
Social security costs	180,783	347,287
Other pension costs	-	66,675
	<u>1,245,712</u>	<u>4,531,632</u>

The average number of employees during the year was as follows:

	31.8.20	31.8.19
Staff	<u>12</u>	<u>62</u>

	31.8.20	31.8.19
	£	£
Directors' remuneration	<u>582,380</u>	<u>677,524</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows:

	31.8.20	31.8.19
	£	£
Emoluments etc	<u>500,000</u>	<u>344,191</u>

**5. OPERATING (LOSS)/PROFIT**

The operating loss (2019 - operating profit) is stated after charging/(crediting):

	31.8.20	31.8.19
	£	£
Other operating leases	45,537	117,744
Depreciation - owned assets	688	651,157
(Profit)/loss on disposal of fixed assets	(4,129)	548,207
Auditors' remuneration	25,000	34,000
Other non- audit services	<u>-</u>	<u>4,700</u>

**6. EXCEPTIONAL ITEMS**

	31.8.20	31.8.19
	£	£
Run-off insurance provision	<u>(280,000)</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

The principal activity of the Company used to be processing mis-sold PPI claims and the deadline for these claims to be made passed on 29 August 2019 and all work ceased.

Since then the directors have continued in business with the introduction of new legal products and concentrated on the development of the new business offering.

The company has taken out a run-off insurance policy to protect itself against future claims brought by PPI clients worked on to 29 August 2019. The policy covers the period, as required, to 15 November 2026.

**7. TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	31.8.20	31.8.19
	£	£
Current tax:		
UK corporation tax	(345,297)	1,090,367
Deferred tax	(34,414)	(93,859)
Tax on (loss)/profit	<u>(379,711)</u>	<u>996,508</u>

**Reconciliation of total tax (credit)/charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.8.20	31.8.19
	£	£
(Loss)/profit before tax	<u>(1,785,292)</u>	<u>5,150,926</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(339,205)	978,676
Effects of:		
Expenses not deductible for tax purposes	12,283	111,691
Income not taxable for tax purposes	(284,179)	-
Capital allowances in excess of depreciation	(40,213)	-
Utilisation of tax losses	280,050	-
Adjustments to tax charge in respect of previous periods	25,967	-
Deferred Tax	<u>(34,414)</u>	<u>(93,859)</u>
Total tax (credit)/charge	<u>(379,711)</u>	<u>996,508</u>

**Tax effects relating to effects of other comprehensive income**

	31.8.20	
	Gross	Tax
	£	£
Repurchase of own shares	<u>(3,999,999)</u>	<u>-</u>
		<u>(3,999,999)</u>

**8. DIVIDENDS**

	31.8.20	31.8.19
	£	£
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>500,000</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**9. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 September 2019	7,450	24,304	31,754
Impairments	(7,060)	(21,944)	(29,004)
At 31 August 2020	<u>390</u>	<u>2,360</u>	<u>2,750</u>
<b>DEPRECIATION</b>			
At 1 September 2019	3,928	13,481	17,409
Charge for year	98	590	688
Impairments	(3,928)	(13,481)	(17,409)
At 31 August 2020	<u>98</u>	<u>590</u>	<u>688</u>
<b>NET BOOK VALUE</b>			
At 31 August 2020	<u>292</u>	<u>1,770</u>	<u>2,062</u>
At 31 August 2019	<u>3,522</u>	<u>10,823</u>	<u>14,345</u>

**10. DEBTORS**

	31.8.20 £	31.8.19 £
Amounts falling due within one year:		
Trade debtors	41,850	343,222
Other debtors	1,492,477	1,473,391
Tax	345,297	-
VAT	5,882	377,591
Deferred tax asset	34,414	36,242
Prepayments	58,926	78,266
	<u>1,978,846</u>	<u>2,308,712</u>
Amounts falling due after more than one year:		
Other debtors	924,417	940,612
Directors' loan accounts	-	7,325,950
	<u>924,417</u>	<u>8,266,562</u>
Aggregate amounts	<u>2,903,263</u>	<u>10,575,274</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.8.20 £	31.8.19 £
Trade creditors	134,743	134,698
Tax	23,098	565,001
Social security and other taxes	64,647	69,561
Accrued expenses	321,799	708,532
	<u>544,287</u>	<u>1,477,792</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**12. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.20	31.8.19
	£	£
Within one year	32,358	62,430
Between one and five years	<u>-</u>	<u>32,358</u>
	<u>32,358</u>	<u>94,788</u>

**13. PROVISIONS FOR LIABILITIES**

	31.8.20	31.8.19
	£	£
Other provisions	<u>82,467</u>	<u>996,723</u>
	Deferred	Other
	tax	provisions
	£	£
Balance at 1 September 2019	(36,242)	996,723
Provided during year	1,828	-
Credit to Income Statement during year	<u>-</u>	<u>(914,256)</u>
Balance at 31 August 2020	<u>(34,414)</u>	<u>82,467</u>

Other Provisions include an EFRBS provision of £Nil (2019: £303,929) and a redundancy and holiday provision of £82,467 (2019: £692,794).

**14. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.8.20	31.8.19
			£	£
3	Ordinary	£1	<u>3</u>	<u>4</u>

The company has repurchased 1 Ordinary £1 share on 16th December 2019.

**15. RESERVES**

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 September 2019	19,437,463	-	19,437,463
Deficit for the year	(1,405,581)		(1,405,581)
Purchase of own shares	<u>(4,000,000)</u>	1	<u>(3,999,999)</u>
At 31 August 2020	<u>14,031,882</u>	<u>1</u>	<u>14,031,883</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**16. CONTINGENT LIABILITIES**

A company matter has been referred to the Investigation and Supervision Unit of the SRA. The matter is currently ongoing. Dependant upon the outcome of the investigation the SRA have a number of options available to them. These options range from no action to the introduction of significant fines in order to sustain its' legal licence. At the current time there are too many uncertainties in existence to be able to predict what the outcome of this matter will be, or to quantify the associated costs.

However, whatever the outcome, the Directors consider that the Company would continue to trade. In their opinion there is no scenario so severe that the Company would have to be closed down.

Due to an ongoing court case, the company is anticipating to pay a sum of £200,000 in legal fees. As there may be a possible obligation to incur legal fees in the future due to present circumstances, it is fair and justified to consider this as a contingent liability.

**17. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 August 2020 and 31 August 2019:

	31.8.20 £	31.8.19 £
<b>G Verschuur</b>		
Balance outstanding at start of year	7,274,915	1,128,533
Amounts advanced	-	6,146,382
Amounts repaid	(7,274,915)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>7,274,915</u>
<b>A Rana</b>		
Balance outstanding at start of year	51,034	48,604
Amounts advanced	-	2,430
Amounts repaid	(51,034)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>51,034</u>

Interest is charged at the rate of 5% on the directors' loan accounts. Interest of £Nil (2019 £143,241) was charged to G Verschuur, £Nil (2019 - £2,430) to A Rana.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

18. **RELATED PARTY DISCLOSURES**

	31.8.2020 £	31.8.2019 £
<b>Mr A R Playle</b>		
Balance outstanding at the start of year	1,421,406	1,353,519
Amounts advanced	71,071	67,687
Amounts repaid		
Amounts written off		
Amounts waived		
Balance outstanding at end of year	<u>1,492,477</u>	<u>1,421,406</u>

Mr A R Playle has not been a director since February 2019. The balance due from him has been moved to the other debtors. Interest is charged at the rate of 5% on the loan to ex-director, Mr A R Playle, of £71,071 (2019: £67,687) which has been added to other debtors.

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