

Williamsons Solicitors Limited

Annual Report and Financial Statements

for the Year Ended 31 January 2022



Forrester Boyd Robson Limited
Chartered Accountants
Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
East Yorkshire
HU17 0RT

Williamsons Solicitors Limited

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Williamsons Solicitors Limited

Company Information

Directors SJ Clubley
 BG Cook
 NW Gray
 JF Cousins

Company secretary BG Cook

Registered office 45 Lowgate
 Hull
 East Yorkshire
 HU1 1EN

Bankers Lloyds Bank Plc
 Grand Buildings
 Jameson Street
 Hull
 HU1 3JX

Auditors Forrester Boyd Robson Limited
 Chartered Accountants
 Kingfisher Court
 Plaxton Bridge Road
 Woodmansey
 Beverley
 East Yorkshire
 HU17 0RT

Williamsons Solicitors Limited

Strategic Report for the Year Ended 31 January 2022

The Directors present their strategic report for the year ended 31 January 2022.

Principal activity

The principal activity of the company is the provision of legal services.

Fair review of the business

The company continued its principal activity throughout the year.

Key performance indicators

The management of the firm continue to use a range of performance indicators to monitor and manage the business. The performance indicators include financial performance such as profit ratios, liquidity ratios, activity ratios and capital ratios.

Development and financial performance during the year

Turnover, as reported in the company's profit and loss statement, is £6.89 million which is an increase of 24% (£1.32m) on the previous financial year of £5.57 million.

Costs of sales decreased this year by £85k largely due to changes in the way we marketed the firm, particularly in relation to the Personal Injury department.

Profit before tax is £2.11 million this year which is an increase of 60% (£792k) on the previous financial year of £1.32 million.

Financial position at the reporting date

The balance sheet shows the company's net assets at the year-end are £5.01 million which have increased by £1.11 million compared to the previous year's net assets of £3.90 million. The company remains in a very healthy financial position.

Williamsons Solicitors Limited

Strategic Report for the Year Ended 31 January 2022

Principal risks and uncertainties

The management of the firm continually monitor the key risks facing the company together with assessing the controls used for managing these risks. The principal risks and uncertainties facing the company are as follows:

Financial risk - is managed specifically by the preparation and monitoring of monthly, quarterly and annual management accounts. Trade debtors and WIP days are reviewed quarterly.

Competitor pressure - we continue to build relationships with our existing clients whilst exploring different avenues to attract new business. This has been particularly successful in digital marketing.

Compensation departments - we are continually working to ensure that our compensation departments can react to changes as they occur so that profitability in these departments continue.

Loss of key personnel - turnover of staff was very low at 2.55% however as with most companies losing key members of staff would cause initial operational problems. We continue to provide staff with professional development opportunities at all levels whilst ensuring that key staff are recognised by remunerating them at an appropriate level.

Covid 19 - at this time we have reviewed the impact the Covid-19 pandemic has had on the firm. Changes are being implemented to allow more home working where it is felt appropriate or necessary due to Government guidance. We are confident that the plans in place and being put in place will allow us to deal with any future impact that the ongoing pandemic may bring.

Approved and authorised by the Board on 22/8/2022 and signed on its behalf by:



.....
BG Cook
Company secretary and director

Williamsons Solicitors Limited

Directors' Report for the Year Ended 31 January 2022

The Directors present their report and the financial statements for the year ended 31 January 2022.

Directors of the Company

The Directors who held office during the year were as follows:

SJ Clubley

BG Cook - Company secretary and director

JE Suthers (ceased 17 May 2022)

NW Gray

JF Cousins

Dividends

Interim dividends per shares were paid as follows:

'A' Ordinary £1 shares £489,444

'B' Ordinary £1 shares £92,516

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 31 January 2022 will be £581,960.

Financial instruments

The company's financial instruments comprise bank balances, creditors, debtors and bank and other loans to the company. The main purpose of these instruments is to raise funds for the company's operations.

In respect of bank balances, the liquidity risk is managed by maintaining checks on the balance of the bank account. The company also uses weekly cash flow projections to predict cash requirements and plans accordingly.

Disclosure of qualifying third party indemnity provision

During the year, and to the date of approval of the directors report, a qualifying third party indemnity provision was in force for the benefit of the directors of the company.

Future developments

Although the nature of the Covid-19 pandemic has impacted on the business during the financial year ended 31st January 2022, the Directors are satisfied that the company has sufficient financial strength, along with other measures taken during the year, to ensure that the business can move forward with confidence.

Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved and authorised by the Board on 22/8/2022 and signed on its behalf by:



BG Cook
Company secretary and director

Williamsons Solicitors Limited

Statement of Directors' Responsibilities

The Directors acknowledge their responsibilities for preparing the Annual Report 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Opinion

We have audited the financial statements of Williamson's Solicitors Limited (the 'Company') for the year ended 31 January 2022, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and 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 the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 January 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 auditor responsibilities for the audit of the financial statements section of our report. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Independent Auditor's Report to the Members of Williamson's Solicitors Limited

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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 5], 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 is 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.

Auditor 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 an auditor's report 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Using our knowledge of the company and the industry in which it operates, we identified the principal risks of non-compliance with laws and regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the SRA Standards and Regulations, Companies Act 2006 and UK Tax legislation. We assessed the susceptibility of the company's financial statements to material misstatement by considering the controls the company has established to address risks identified and how the directors monitor these controls and by evaluating the opportunity to commit fraud.

Our audit procedures included the following;

- testing management override controls including journal testing and reviewing accounting estimates for reasonableness
- enquiries of management of actual and potential litigation claims
- enquiries of management including fraud and associated risks
- discussions with management, including consideration of known or suspected instances of non-compliance
- challenging assumptions and judgements made within significant accounting estimates and judgements
- reviewing legal and professional fees for any potential litigation claims
- testing focussing on the areas of the financial statements most susceptible to material error including WIP testing and completeness of income and review to ensure correct matching revenue and costs

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Williamsons Solicitors Limited

Independent Auditor's Report to the Members of Williamsons Solicitors Limited

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

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 an auditor's report 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.



Michael Beckett BA FCA (Senior Statutory Auditor)

For and on behalf of Forrester Boyd Robson Limited, Statutory Auditor

Kingfisher Court
Plaxton Bridge Road
Woodmansey
Beverley
East Yorkshire
HU17 0RT

Date: 30/8/2022

Williamsons Solicitors Limited**Profit and Loss Account for the Year Ended 31 January 2022**

	Note	2022 £	2021 £
Turnover	3	6,887,588	5,573,080
Cost of sales		<u>(133,347)</u>	<u>(218,623)</u>
Gross profit		6,754,241	5,354,457
Administrative expenses		<u>(4,663,545)</u>	<u>(4,381,896)</u>
Other operating income	4	<u>43,375</u>	<u>376,351</u>
Operating profit	7	<u>2,134,071</u>	<u>1,348,912</u>
Other interest receivable and similar income	8	15,951	11,474
Interest payable and similar expenses	9	<u>(35,359)</u>	<u>(39,024)</u>
		<u>(19,408)</u>	<u>(27,550)</u>
Profit before tax		2,114,663	1,321,362
Tax on profit	13	<u>(418,864)</u>	<u>(255,000)</u>
Profit for the financial year		<u>1,695,799</u>	<u>1,066,362</u>

The above results were derived from continuing operations.

The Company has no recognised gains or losses for the year other than the results above.

Williamsons Solicitors Limited**Statement of Comprehensive Income for the Year Ended 31 January 2022**

	2022 £	2021 £
Profit for the year	<u>1,695,799</u>	<u>1,066,362</u>
Total comprehensive income for the year	<u><u>1,695,799</u></u>	<u><u>1,066,362</u></u>

Williamsons Solicitors Limited**(Registration number: 07091845)****Balance Sheet as at 31 January 2022**

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	14	135,007	-
Tangible assets	15	<u>1,675,967</u>	<u>1,697,388</u>
		<u>1,810,974</u>	<u>1,697,388</u>
Current assets			
Debtors	16	4,267,619	2,537,732
Cash at bank and in hand		<u>871,113</u>	<u>1,619,389</u>
		5,138,732	4,157,121
Creditors: Amounts falling due within one year	18	<u>(971,613)</u>	<u>(849,047)</u>
Net current assets		<u>4,167,119</u>	<u>3,308,074</u>
Total assets less current liabilities		5,978,093	5,005,462
Creditors: Amounts falling due after more than one year	18	(910,018)	(1,093,906)
Provisions for liabilities	21	<u>(52,795)</u>	<u>(10,115)</u>
Net assets		<u>5,015,280</u>	<u>3,901,441</u>
Capital and reserves			
Called up share capital		15,000	15,000
Share premium reserve	24	395,000	395,000
Capital redemption reserve	24	20,000	20,000
Retained earnings	24	<u>4,585,280</u>	<u>3,471,441</u>
Shareholders' funds		<u>5,015,280</u>	<u>3,901,441</u>

Approved and authorised by the Board on 22/8/2022 and signed on its behalf by:


S.J. Clubley
Director

Williamsons Solicitors Limited

Statement of Changes in Equity for the Year Ended 31 January 2022

	Share capital £	Share premium £	Capital redemption reserve £	Retained earnings £	Total £
At 1 February 2021	15,000	395,000	20,000	3,471,441	3,901,441
Profit for the year	-	-	-	1,695,799	1,695,799
Dividends	-	-	-	(581,960)	(581,960)
At 31 January 2022	15,000	395,000	20,000	4,585,280	5,015,280
	Share capital £	Share premium £	Capital redemption reserve £	Retained earnings £	Total £
At 1 February 2020	25,000	395,000	10,000	4,676,018	5,106,018
Profit for the year	-	-	-	1,066,362	1,066,362
Dividends	-	-	-	(98,300)	(98,300)
Purchase of own share capital	(10,000)	-	-	(2,172,639)	(2,182,639)
Other capital redemption reserve movements	-	-	10,000	-	10,000
At 31 January 2021	15,000	395,000	20,000	3,471,441	3,901,441

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

1 General information

The company is a private company limited by share capital incorporated in England and Wales and the company registration number is 07091845.

The address of its registered office is:

45 Lowgate
Hull
East Yorkshire
HU1 1EN

These financial statements were authorised for issue by the Board on 22/8/2022

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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

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

The financial statements have been prepared in sterling and are rounded to the nearest pound.

Summary of disclosure exemptions

The Company has taken advantage of the exemption from disclosing the following information, as permitted by the reduced disclosure regime within FRS 102:

- a) Section 7 "Statement of Cash Flows" - Presentation of a statement of cash flow and related notes and disclosures
- b) Section 33 "Related Party Disclosures" - related party transactions with other members of the Williamsons Group disclosures.

Name of parent of group

These financial statements are consolidated in the financial statements of Williamsons Holdings Limited.

The financial statements of Williamsons Holdings Limited may be obtained from its registered office of 45 Lowgate, Hull, East Yorkshire, United Kingdom, HU1 1EN.

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

The directors are of the opinion that the company will trade profitably in the foreseeable future and therefore believes that it is appropriate for the financial statements to be prepared on a going concern basis.

Reclassification of comparative amounts

Work in progress have been reclassified from the opening 2021 balance sheet in line with FRS 102 requirements and best practice amongst LLP's of a similar nature and trade.

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

Revenue recognition

Turnover represents the amounts chargeable to clients for professional services provided during the year, net of any value added tax. Turnover is recognised when a right to consideration has been obtained through performance under each contract with the client. Consideration accrues as contract activity progresses by reference to the value of the work performed. Any amounts in respect of work not billed at the year end are included in debtors under amounts recoverable on long term contracts.

Where the company has not earned the right to consideration at the year end because the work is done on a contingent fee basis the costs incurred on these matters are carried forward each year as work in progress. Work in progress is stated at the lower of cost and net realisable value. Cost comprises staff salary costs, disbursements charged to clients and an appropriate proportion of overheads.

Government grants

Government grants which become receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, are recognised as income in the period in which they become receivable.

Tax

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

The current income 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.

Deferred income 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 income 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 statement of financial position 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, over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold buildings	straight line over 50 years
Fixtures and fittings	straight line over 10 years
Motor vehicles	25% reducing balance
Computer equipment	straight line over 3 years and straight line over 20 years

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 then either credited or charged to the profit and loss account.

Impairment of fixed assets

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable or as otherwise required by relevant accounting standards.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of net realisable value and value-in-use, are recognised as impairments.

Goodwill

Goodwill is initially recognised at cost, being the amount paid in connection with the acquisition of a business in 2010. Subsequently goodwill is measured at cost less any accumulated amortisation and impairment losses. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Intangible assets are stated in the statement of financial position at cost, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

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:

Asset class	Amortisation method and rate
Goodwill	Straight line over 10 years
Computer software	Straight line over 10 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand.

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.

Financial instruments

Classification

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.

Recognition and measurement

Financial instruments are recognised 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 enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors are amounts due from customers for services performed in the ordinary course of business.

Basic financial assets, which include trade and other debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. 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 receivables.

Basic financial liabilities

Basic financial liabilities, which include trade and other creditors and bank loans, 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 payments discounted at a market rate of interest.

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

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

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 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

a) Depreciation

Depreciation is charged to the profit and loss account based on the useful economic life selected, which involves an estimation of the period and profile over which the company expects to consume future economic benefits embodied in the assets.

b) Amounts recoverable on long term contracts valuation

In valuing the amounts recoverable on long term contracts, management will assess the work in progress and determine whether any amounts are likely to be valued below their original cost.

3 Turnover

The analysis of the Company's Turnover for the year from continuing operations is as follows:

	2022	2021
	£	£
Rendering of services	<u>6,887,588</u>	<u>5,573,080</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022	2021
	£	£
Government grants	2,904	351,127
Rent receivable	<u>40,471</u>	<u>25,224</u>
	<u>43,375</u>	<u>376,351</u>

5 Government grants

The Government Grants, referred to in note 4, relate to amounts received during the period in relation to income received from the Coronavirus Job Retention Scheme.

The amount of grants recognised in the financial statements was £2,904 (2021 - £351,127).

6 Other gains and losses

The analysis of the Company's other gains and losses for the year is as follows:

	2022	2021
	£	£
Gain on disposal of Tangible assets	<u>4,085</u>	<u>-</u>

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

7 Operating profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	53,836	28,220
Amortisation expense	2,288	-
Operating lease expense - other	37,000	37,000
Profit on disposal of property, plant and equipment	<u>(4,085)</u>	<u>-</u>

8 Other interest receivable and similar income

	2022	2021
	£	£
Interest income on bank deposits	695	2,601
Other finance income	<u>15,256</u>	<u>8,873</u>
	<u>15,951</u>	<u>11,474</u>

9 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank borrowings	17,530	25,059
Interest expense on other finance liabilities	124	-
Bank charges	17,705	11,149
Interest paid to directors	<u>-</u>	<u>2,816</u>
	<u>35,359</u>	<u>39,024</u>

10 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	2,911,940	3,070,765
Social security costs	252,823	252,129
Pension costs, defined contribution scheme	<u>119,235</u>	<u>54,275</u>
	<u>3,283,998</u>	<u>3,377,169</u>

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

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

	2022 No.	2021 No.
Directors	5	5
Administration and support	126	128
	<u>131</u>	<u>133</u>

11 Directors' remuneration

The Directors' remuneration for the year was as follows:

	2022 £	2021 £
Remuneration	108,993	285,965
Contributions paid to money purchase schemes	64,357	3,784
	<u>173,350</u>	<u>289,749</u>

During the year the number of Directors who were receiving benefits and share incentives was as follows:

	2022 No.	2021 No.
Accruing benefits under money purchase pension scheme	<u>5</u>	<u>5</u>

In respect of the highest paid Director:

	2022 £	2021 £
Remuneration	-	76,666
Company contributions to money purchase pension schemes	<u>-</u>	<u>1,313</u>

12 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	<u>9,575</u>	<u>9,300</u>
Other fees to auditors		
All other non-audit services	<u>22,555</u>	<u>14,965</u>

13 Taxation

Tax charged/(credited) in the profit and loss account

	2022 £	2021 £
Current taxation		
UK corporation tax	376,184	249,773
Deferred taxation		
Arising from origination and reversal of timing differences	<u>42,680</u>	<u>5,227</u>
Tax expense in the income statement	<u>418,864</u>	<u>255,000</u>

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
Profit before tax	2,114,663	1,321,362
Corporation tax at standard rate	401,786	251,059
Effect of expense not deductible in determining taxable profit (tax loss)	211	1,801
Deferred tax expense relating to changes in tax rates or laws	9,477	-
Tax increase from effect of capital allowances and depreciation	6,260	1,565
Other tax effects for reconciliation between accounting profit and tax expense (income)	1,130	575
Total tax charge	418,864	255,000

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2022		
Accelerated capital allowances	-	52,795
	-	52,795

	Asset £	Liability £
2021		
Accelerated capital allowances	-	10,115
	-	10,115

14 Intangible assets

	Goodwill £	Computer software costs £	Total £
Cost or valuation			
At 1 February 2021	3,019,591	-	3,019,591
Additions acquired separately	-	137,295	137,295
At 31 January 2022	3,019,591	137,295	3,156,886
Amortisation			
At 1 February 2021	3,019,591	-	3,019,591
Amortisation charge	-	2,288	2,288
At 31 January 2022	3,019,591	2,288	3,021,879
Carrying amount			
At 31 January 2022	-	135,007	135,007

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

15 Tangible assets

	Freehold property £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 February 2021	1,647,317	286,362	23,983	1,957,662
Additions	-	38,330	-	38,330
Disposals	-	(38,513)	(19,950)	(58,463)
At 31 January 2022	1,647,317	286,179	4,033	1,937,529
Depreciation				
At 1 February 2021	24,142	220,972	15,160	260,274
Charge for the year	32,946	18,684	2,206	53,836
Eliminated on disposal	-	(38,513)	(14,035)	(52,548)
At 31 January 2022	57,088	201,143	3,331	261,562
Carrying amount				
At 31 January 2022	1,590,229	85,036	702	1,675,967
At 31 January 2021	1,623,175	65,390	8,823	1,697,388

The freehold property with a carrying amount of £1,590,229 (2021 - £1,623,175) is subject to an unlimited debenture, incorporating a fixed and floating charge and also legal mortgages.

16 Debtors

	Note	2022 £	2021 £
Current			
Trade debtors		684,642	772,756
Amounts owed by related parties	28	1,516,667	-
Other debtors		14,672	51,921
Prepayments		148,831	85,646
Amounts recoverable on long term contracts		1,902,807	1,627,409
		<u>4,267,619</u>	<u>2,537,732</u>

An impairment loss of £19,888 (2021: £5,839) was recognised against trade debtors.

17 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	4,637	1,654
Cash at bank	<u>866,476</u>	<u>1,617,735</u>
	<u>871,113</u>	<u>1,619,389</u>

Williamsons Solicitors Limited**Notes to the Financial Statements for the Year Ended 31 January 2022**

18 Creditors

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	19	183,639	176,138
Trade creditors		17,475	24,246
Social security and other taxes		196,810	202,752
Other payables		1,856	2,155
Accruals		195,543	142,424
Income tax liability	13	376,290	249,773
Directors' current accounts		-	51,559
		<u>971,613</u>	<u>849,047</u>
Due after one year			
Loans and borrowings	19	<u>910,018</u>	<u>1,093,906</u>

19 Loans and borrowings

	2022 £	2021 £
Non-current secured loans and borrowings		
Bank borrowings	<u>910,018</u>	<u>1,093,906</u>

	2022 £	2021 £
Current secured loans and borrowings		
Bank borrowings	<u>183,639</u>	<u>176,138</u>

The debts are secured by an unlimited debenture, incorporating a fixed and floating charge over the undertaking and all property and assets, present and future, including goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery. There are also mortgages over the freehold property held by the company.

Included in the loans and borrowings are the following amounts due after more than five years:

	2022 £	2021 £
After more than five years by instalments	<u>188,380</u>	<u>319,768</u>

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

Bank loans totalling £45,296 are repayable by monthly instalments between February 2022 and August 2025. Interest is charged on this loan at 2.5% over base rate.

Bank loans totalling £28,485 are repayable by monthly instalments between February 2022 and March 2026. Interest is charged on this loan at 2.25% over base rate.

Bank loans totalling £511,310 are repayable by monthly instalments between February 2022 and May 2028. Interest is charged on these loans at 2.32%.

Bank loans totalling £328,355 are repayable by monthly instalments between February 2022 and May 2028. Interest is charged on these loans at 1.2% over base rate.

Bank loans totalling £186,667 are repayable by monthly instalments between February 2022 and September 2023. No interest is charged on this loan.

20 Financial instruments

The carrying value of the company's financial assets and liabilities are summarised by category below:

	2022 £	2021 £
Carrying amount of financial assets		
Measured at undiscounted amount receivable		
- Trade and other debtors (see note 16)	4,256,447	2,537,732
- Cash at bank and in hand (see note 17)	871,113	1,619,389
Carrying amount of financial liabilities		
Measured at amortised cost		
- Loans payable (see note 19)	1,093,657	1,270,044
- Trade and other creditors (see note 18)	214,874	168,825
Equity instruments measured at cost less impairment		
- Called up share capital (see note 23)	15,000	15,000

21 Provisions for liabilities

	Deferred tax £	Total £
At 1 February 2021	10,115	10,115
Increase (decrease) in existing provisions	42,680	42,680
At 31 January 2022	52,795	52,795

The above provided amounts relate to corporation tax deferred by accelerated capital allowances and are based on a corporation tax rate of 19% (2021: 19%).

It is not expected that there will be a material net reversal of deferred tax next year (2021: £Nil), relating to the reversal of existing timing differences on tangible fixed assets.

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

22 Pension and other schemes

Defined contribution pension scheme

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £119,235 (2021 - £54,275).

23 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
A Ordinary shares of £1 each	12,000	12,000	-	-
B Ordinary shares of £1 each	3,000	3,000	10,000	10,000
C Ordinary shares of £1 each	-	-	1,250	1,250
D Ordinary shares of £1 each	-	-	1,250	1,250
E Ordinary shares of £1 each	-	-	1,250	1,250
F Ordinary shares of £1 each	-	-	1,250	1,250
	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>

"A" and "B" ordinary shares carry full voting rights, total privileges in respect of dividends and are permitted to participate in any distribution (including on winding up).

24 Reserves

Retained earnings

The retained earnings reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

Capital redemption reserve

The capital redemption reserve represents the effect of the cancellation of the nominal value of the shares repurchased by the company during the year to 31 January 2016 and the year to 31 January 2021.

25 Dividends

Interim dividends paid

	2022	2021
	£	£
Interim dividend of £40.7871 (2021 - £1.00) per each A Ordinary shares	489,444	-
Interim dividend of £30.839 (2021 - £1.00) per each B Ordinary shares	92,516	78,300
Interim dividend of £Nil (2021 - £1.00) per each C Ordinary shares	-	5,000
Interim dividend of £Nil (2021 - £1.00) per each D Ordinary shares	-	5,000
Interim dividend of £Nil (2021 - £1.00) per each E Ordinary shares	-	5,000
Interim dividend of £Nil (2021 - £1.00) per each F Ordinary shares	-	5,000
	<u>581,960</u>	<u>98,300</u>

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

26 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	45,700	74,999
Later than one year and not later than five years	<u>91,900</u>	<u>18,533</u>
	<u>137,600</u>	<u>93,532</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £29,176 (2021 - £39,992).

27 Commitments

Capital commitments

Acquisition of tangible fixed assets

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £145,264).

Williamsons Solicitors Limited

Notes to the Financial Statements for the Year Ended 31 January 2022

28 Related party transactions

Transactions with Directors

	At 1 February 2021 £	Advances to Director £	Repayments by Director £	At 31 January 2022 £
2022 SJ Clubley	(51,559)	1,849,126	(1,796,395)	1,172
BG Cook	-	91,184	(81,184)	10,000

Dividends paid to Directors

	2022 £	2021 £
SJ Clubley dividends paid	92,517	78,300

Key management personnel compensation

The company has taken advantage of the exemption under section 33.7A in FRS 102 not to disclose the key management personnel compensation as they key management personnel are the same people as the Directors. Please refer to the the Directors remuneration note 11.

29 Parent and ultimate parent undertaking

The Company's immediate parent is Williamsons Holdings Limited, incorporated in England.

The most senior parent entity producing publicly available financial statements is Williamsons Holdings Limited. These financial statements are available upon request from 45 Lowgate, Hull, East Yorkshire, HU1 1EN.