

STOWE FAMILY LAW SERVICES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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STOWE FAMILY LAW SERVICES LIMITED

COMPANY INFORMATION

Directors	Kenneth Fowlie Julian Hawkhead
Registered number	07176297
Registered office	5th Floor Minerva House East Parade Leeds LS1 5PS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1 Whitehall Riverside Leeds West Yorkshire LS1 4BN

STOWE FAMILY LAW SERVICES LIMITED

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STOWE FAMILY LAW SERVICES LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The directors present the strategic report for the year ended 31 March 2023.

Principal activities

The principal activity of the Company is the holding of a partnership share in Stowe Family Law LLP, Stowe Family Law Settlements LLP and Stowe Support Services LLP.

Business review

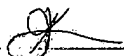
2023 was a year of further investment, consolidation and expansion for the trading business held by the Company. The trading business remains the UK's largest specialist family law practice and during the year expanded its reach and size advantages over its competitors. Further considerations, actions and outcomes are outlined in note 2.3.

The directors remain satisfied that the underlying financial performance of the trading business remains strong, and that it is well placed to continue its strategy of striving to serve more families throughout the country, by supporting both new communities and delivering organic growth within existing communities.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company relate to the carrying value of investments, as the Company does not trade itself. The carrying value of the Company's investments is in turn related to the financial position of the trading business held by the Company through its subsidiary.

This report was approved by the board on 27/11/2023, and signed on its behalf.



Kenneth Fowlie
Director

STOWE FAMILY LAW SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report together with the financial statements of Stowe Family Law Services Limited for the year ended 31 March 2023.

Principal activities

The principal activity of the Company is the holding of a partnership share in Stowe Family Law LLP, Stowe Family Law Settlements LLP and Stowe Support Services LLP.

Results and dividends

The profit for the year, after taxation, amounted to £1,595,282 (2022: £282,021).

Directors

The directors who served during year and after year end were:

Kenneth Fowlie
Julian Hawkhead

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and 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;
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STOWE FAMILY LAW SERVICES LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

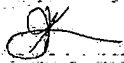
Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 27/11/2023 and signed on its behalf.



Kenneth Fowlie
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOWE FAMILY LAW SERVICES LIMITED

Opinion

We have audited the financial statements of Stowe Family Law Services Limited (the 'Company') for the year ended 31 March 2023, which comprise the Statement of comprehensive income, the Balance sheet, the 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 March 2023 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's 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

We are responsible for concluding 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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOWE FAMILY LAW SERVICES LIMITED
(CONTINUED)**

In auditing the financial statements, we have concluded that the directors' 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 financial statements are 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 other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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.

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 themselves. 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOWE FAMILY LAW SERVICES LIMITED
(CONTINUED)**

Matter on which we are required to report under the Companies Act 2006

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 Directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 Directors' responsibilities statement, 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.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOWE FAMILY LAW SERVICES LIMITED (CONTINUED)

Auditor's 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We identified areas of laws and regulations, where the consequence of non compliance could reasonably be expected to have a material effect on the financial statements, from our general commercial and sector experience and through discussions with the company's management. We corroborated the results of our enquiries with those charged with governance and to supporting documentation such as board minute reviews and our legal and professional expenses review.
- We determined that the laws and regulations most directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland', the Companies Act 2006) and relevant tax legislation in the UK.
- In addition, we concluded that there are certain significant laws and regulations where the consequences of non compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material impact if non compliance were to occur: employment law and anti-bribery legislation.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indicators of fraud or non compliance with laws and regulations throughout the audit.
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by making enquiries of management and those charged with governance, and updating our understanding of the company's operations, financial reporting obligations and control environment, including around compliance with laws and regulations. We considered the risk of fraud to be higher through the potential for management override of controls.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STOWE FAMILY LAW SERVICES LIMITED
(CONTINUED)**

- Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud, particularly around journal processing;
 - Journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business;
 - Challenging assumptions and judgements made by management relating to its areas of significant estimation and judgement;
 - Reviewing legal and professional expenditure in the year to assess for any indicators of non compliance with relevant laws and regulations;
 - Identifying and testing related party transactions.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - knowledge of the industry in which the company operates and understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation;
 - understanding of the legal and regulatory requirements specific to the company.

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. This description forms part of our Auditor's report.

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.

A handwritten signature in black ink, appearing to read "Andrew Wood".

Andrew Wood
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds
Date: 27/11/2023

STOWE FAMILY LAW SERVICES LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Turnover	4	2,126,324	554,272
Gross profit		2,126,324	554,272
Other operating expenses		(214,587)	(195,613)
Operating profit	5	1,911,737	358,659
Tax on profit on ordinary activities	8	(316,455)	(76,638)
Profit for the financial year		1,595,282	282,021
Profit and total comprehensive income for the year		1,595,282	282,021

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of comprehensive income.

The notes on pages 12 to 19 form part of these financial statements.

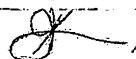
STOWE FAMILY LAW SERVICES LIMITED
REGISTERED NUMBER:07176297

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	9	8,131,396	6,005,072
Current assets			
Debtors	10	1,406,758	1,406,758
		<u>1,406,758</u>	<u>1,406,758</u>
Creditors: amounts falling due within one year	11	(3,477,270)	(2,946,228)
Net current liabilities		<u>(2,070,512)</u>	<u>(1,539,470)</u>
Total assets less current liabilities		<u>6,060,884</u>	<u>4,465,602</u>
Net assets		<u>6,060,884</u>	<u>4,465,602</u>
Capital and reserves			
Called up share capital	12	6,060,883	4,465,601
Profit and loss account	13	6,060,883	4,465,601
		<u>6,060,884</u>	<u>4,465,602</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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



Kenneth Fowlie
 Director 27/11/2023

The notes on pages 12 to 19 form part of these financial statements.

STOWE FAMILY LAW SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	1	4,465,601	4,465,602
Comprehensive income for the year			
Profit for the year	-	1,595,282	1,595,282
Total comprehensive income for the year	-	1,595,282	1,595,282
At 31 March 2023	1	6,060,883	6,060,884

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	1	4,183,580	4,183,581
Comprehensive income for the year			
Profit for the year	-	282,021	282,021
Total comprehensive income for the year	-	282,021	282,021
At 31 March 2022	1	4,465,601	4,465,602

The notes on pages 12 to 19 form part of these financial statements.

STOWE FAMILY LAW SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Stowe Family Law Services Limited is a private company limited by shares & incorporated in England and Wales. Its registered head office is located at 5th Floor, Minerva House, East Parade, Leeds, England, LS1 5PS.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The Company's presentational and functional currency is Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain *critical accounting estimates*. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of Stowe Family Law Holdings Limited as at 31 March 2023 and these financial statements may be obtained from Companies House.

STOWE FAMILY LAW SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.3 Going concern

The group (of which the company is part) continues to meet its day to day working capital requirements through its own cash resources and the group has the additional benefit of an overdraft facility with its bank to accommodate any unforeseen shifts in performance.

Our plans for the business remain to continue to expand the group through opening new client locations, by maximising growth opportunities in our existing locations and by continuing to look for opportunities to innovate and change for the better. The directors will continue to evolve Stowe's client and colleague propositions to ensure that we continue to position ourselves as a group that delivers the best legal advice and client care to each of our clients, while attracting, developing, and retaining outstanding people who are aligned to our aspirations and values.

In this context the directors have considered the current macro economic uncertainties including the possibility of recession in the UK, with higher inflation, interest and tax rates, when preparing their going concern assessment.

The group's forecasts and projections (for the period to 31 December 2024), taking into account reasonable changes in trading performance, show that the group should be able to operate within the level of its current resources and facilities. This position gives the directors confidence that it is well placed to navigate any further disruption in terms of the impact on trading results, its future order book, and most significantly, its committed and hard working Stowe team.

After making enquiries, the directors therefore have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future, including at least twelve months from the date of approval of the financial statements.

2.4 Turnover

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

Rendering of services

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

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

STOWE FAMILY LAW SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.5 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

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

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

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

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Debtors

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

2.8 Creditors

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

STOWE FAMILY LAW SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.9 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The item in the financial statements where judgements and estimates have been made is the carrying value of investments.

4. Turnover

Turnover comprises revenue recognised by the Company in respect of the profit shares allocated to the Company by LLPs of which it is a member; and is supplied wholly within the United Kingdom.

STOWE FAMILY LAW SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Operating profit

The Auditor's remuneration is borne by a fellow subsidiary LLP.

6. Employees

The Company has no employees other than the directors.

7. Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	<u>76,550</u>	<u>75,000</u>

The number of directors for whom retirement benefits are accruing under defined contribution scheme amounted to Nil (2022: Nil).

8. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	324,599	-
Adjustments in respect of previous periods	(8,144)	976
	<u>316,455</u>	<u>976</u>
Group relief	-	75,662
Total current tax	<u>316,455</u>	<u>76,638</u>
Taxation on profit on ordinary activities	<u>316,455</u>	<u>76,638</u>

STOWE FAMILY LAW SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022: *higher than*) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	1,911,737	358,659
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	363,230	68,145
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	7,517
Adjustments to tax charge in respect of prior periods	(8,144)	976
Other adjustments	(38,631)	-
Total tax charge for the year	316,455	76,638

9. Fixed asset investments

	Investment in subsidiary undertakings £
Cost	
At 1 April 2022	6,005,072
Profit share	2,126,324
At 31 March 2023	8,131,396
Net book value	
At 31 March 2023	8,131,396
At 31 March 2022	6,005,072

STOWE FAMILY LAW SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Fixed asset investments (continued)**Subsidiary undertakings**

The following were undertakings in which the Company has a material interest:

Name	Business	Registered office
Stowe Family Law LLP	Solicitors practice	England & Wales
Stowe Family Law Settlements LLP	Solicitors practice	England & Wales
Stowe Support Services LLP	Support LLP for solicitors	England & Wales

Stowe Family Law Services Limited has a material interest in all of the above LLPs. There is no fixed element of ownership of capital balances per the members' agreement and accordingly no disclosure is made of the ownership element. All subsidiaries have the registered office address as detailed in note 1.

10. Debtors

	2023	2022
	£	£
Amounts owed by group undertakings	1,406,758	1,406,758

Amounts due from group undertakings are technically repayable on demand and do not incur interest.

11. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Amounts owed to group undertakings	3,152,032	2,937,445
Corporation tax	316,455	-
Other creditors and accruals	8,783	8,783
	3,477,270	2,946,228

Amounts owed to group undertakings are technically repayable on demand and do not incur interest.

12. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
1 (2022: 1) Ordinary share of £1.00	1	1

STOWE FAMILY LAW SERVICES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Share capital (continued)

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

13. Reserves

Profit and loss account

The profit and loss reserve represents accumulated profit and losses of the entity to date.

14. Ultimate parent undertaking and controlling party

The directors consider Stowe Family Law Holdings Limited, a company incorporated and registered in England and Wales, as the ultimate parent company. The largest and smallest group for which consolidated financial statements are prepared and available to the public are those of Stowe Family Law Holdings Limited and these financial statements may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

15. Ultimate controlling party

The directors consider Livingbridge EP LLP, a limited liability partnership registered in England and Wales, as the ultimate controlling party.

16. Related parties

Under the terms of Financial Reporting Standard 102, the entity is exempt from the requirement to disclose transactions with other wholly owned group entities.

During the year the Company paid £126,517 (2022: £114,120) in respect of directors' services to Livingbridge EP LLP, the ultimate owner.