

**Group Strategic Report,  
Report of the Directors and  
Consolidated Financial Statements  
for the Year Ended 30 March 2019  
for  
Pure Legal Limited**



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for the Year Ended 30 March 2019**

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**Pure Legal Limited**  
**Company Information**  
**for the Year Ended 30 March 2019**

**DIRECTORS:**

P J Hodgkinson  
A Grimes  
R J Mares  
J J Shaw  
D J Kirby

**REGISTERED OFFICE:**

4th Floor  
Building 8 Princes Parade  
Liverpool  
Merseyside  
L3 1DL

**REGISTERED NUMBER:**

09511435 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Hilene Henry

**AUDITORS:**

Wilson Henry LLP  
Registered Auditor  
145 Edge Lane  
Liverpool  
Merseyside  
L7 2PF

**Group Strategic Report  
for the Year Ended 30 March 2019**

The directors present their strategic report of the company and the group for the year ended 30 March 2019.

**REVIEW OF BUSINESS**

The results for the year and the financial position at the period end were considered satisfactory by the Directors who expect significant growth in the foreseeable future. During the first three years of trading the Group has invested considerable time and resources in developing its systems and progressing its ongoing legal cases. The nature of the cases undertaken by the business are complex and take two to three years to reach their conclusion.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The business is now focused on areas such as financial mis-selling, the nature of this work takes two to three years to reach conclusion. Once this work is concluded it is expected that the Group will become highly cash generative.

**ON BEHALF OF THE BOARD:**



.....  
D J Kirby - Director

Date: 24.12.19 .....

**Report of the Directors  
for the Year Ended 30 March 2019**

The directors present their report with the financial statements of the company and the group for the year ended 30 March 2019.

**DIVIDENDS**

No dividends will be distributed for the year ended 30 March 2019.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 31 March 2018 to the date of this report.

P J Hodgkinson  
A Grimes  
R J Mares  
J J Shaw  
D J Kirby

**CHARITABLE DONATIONS**

	2019 £	2018 £
During the period the Group made the following payments:		
Charitable donations	1,833	1,338

During the period, the Group has contributed small donations to local causes.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group 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), including Financial Reporting Standard 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 of the company and the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Report of the Directors  
for the Year Ended 30 March 2019**

**AUDITORS**

The auditors, Wilson Henry LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



.....  
D J Kirby - Director

Date: 24.12.19 .....

## **Report of the Independent Auditors to the Members of Pure Legal Limited**

### **Opinion**

We have audited the financial statements of Pure Legal Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 March 2019 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 group's and of the parent company affairs as at 30 March 2019 and of the group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 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 group'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 Group 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 Group 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 Group 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 Pure Legal Limited**

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 group's and the parent 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 group or the parent 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.

Hilene Henry (Senior Statutory Auditor)  
for and on behalf of Wilson Henry LLP  
Registered Auditor  
145 Edge Lane  
Liverpool  
Merseyside  
L7 2PF



Date: 24.12.2019

**Pure Legal Limited (Registered number: 09511435)**

**Consolidated Income Statement  
for the Year Ended 30 March 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>		14,546,240	4,438,193
Cost of sales		4,824,386	4,429,790
<b>GROSS PROFIT</b>		9,721,854	8,403
Administrative expenses		2,808,745	2,256,527
		6,913,109	(2,248,124)
Other operating income		96,089	-
<b>OPERATING PROFIT/(LOSS)</b>	5	7,009,198	(2,248,124)
Interest receivable and similar income		15,963	30,494
		7,025,161	(2,217,630)
Interest payable and similar expenses	6	2,281,747	1,378,457
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		4,743,414	(3,596,087)
Tax on profit/(loss)	7	-	-
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		4,743,414	(3,596,087)
Profit/(loss) attributable to: Owners of the parent		4,743,414	(3,596,087)

The notes form part of these financial statements

**Consolidated Other Comprehensive Income  
for the Year Ended 30 March 2019**


	Notes	2019 £	2018 £
<b>PROFIT/(LOSS) FOR THE YEAR</b>		4,743,414	(3,596,087)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR</b>		<u>4,743,414</u>	<u>(3,596,087)</u>
Total comprehensive income attributable to: Owners of the parent		<u>4,743,414</u>	<u>(3,596,087)</u>

The notes form part of these financial statements

**Consolidated Balance Sheet**  
**30 March 2019**

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	9	790,753	781,392
Tangible assets	10	295,388	282,175
Investments	11	-	-
		<u>1,086,141</u>	<u>1,063,567</u>
<b>CURRENT ASSETS</b>			
Stocks	12	9,231,490	2,247,592
Debtors	13	16,036,291	12,370,836
Cash at bank and in hand		4,107,007	2,185,025
		<u>29,374,788</u>	<u>16,803,453</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	30,649,081	20,598,586
<b>NET CURRENT LIABILITIES</b>		<u>(1,274,293)</u>	<u>(3,795,133)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(188,152)</u>	<u>(2,731,566)</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	771,450	2,971,450
<b>NET LIABILITIES</b>		<u>(959,602)</u>	<u>(5,703,016)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	200	200
Retained earnings	20	(959,802)	(5,703,216)
<b>SHAREHOLDERS' FUNDS</b>		<u>(959,602)</u>	<u>(5,703,016)</u>

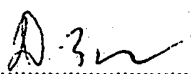
The financial statements were approved by the Board of Directors on 24.12.15 and were signed on its behalf by:

  
D J Kirby - Director

Company Balance Sheet  
30 March 2019

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Intangible assets	9	790,753	781,392
Tangible assets	10	235,902	209,145
Investments	11	3,698,509	3,698,509
		<u>4,725,164</u>	<u>4,689,046</u>
<b>CURRENT ASSETS</b>			
Stocks	12	9,231,490	507,201
Debtors	13	6,345,900	5,196,105
Cash at bank and in hand		4,053,618	2,133,437
		<u>19,631,008</u>	<u>7,836,743</u>
<b>CREDITORS</b>			
Amounts falling due within one year	14	23,809,209	13,948,943
		<u>(4,178,201)</u>	<u>(6,112,200)</u>
<b>NET CURRENT LIABILITIES</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		546,963	(1,423,154)
<b>CREDITORS</b>			
Amounts falling due after more than one year	15	771,450	2,971,450
		<u>(224,487)</u>	<u>(4,394,604)</u>
<b>NET LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	200	200
Retained earnings	20	(224,687)	(4,394,804)
		<u>(224,487)</u>	<u>(4,394,604)</u>
<b>SHAREHOLDERS' FUNDS</b>			
Company's profit/(loss) for the financial year		<u>4,170,117</u>	<u>(2,760,642)</u>

The financial statements were approved by the Board of Directors on 24.12.19 and were signed on its behalf by:

  
D J Kirby - Director

**Pure Legal Limited (Registered number: 09511435)**

**Consolidated Statement of Changes in Equity  
for the Year Ended 30 March 2019**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 31 March 2017</b>	100	(2,107,129)	(2,107,029)
<b>Changes in equity</b>			
Issue of share capital	100	-	100
Total comprehensive loss	-	(3,596,087)	(3,596,087)
<b>Balance at 30 March 2018</b>	<u>200</u>	<u>(5,703,216)</u>	<u>(5,703,016)</u>
<b>Changes in equity</b>			
Total comprehensive income	-	4,743,414	4,743,414
<b>Balance at 30 March 2019</b>	<u>200</u>	<u>(959,802)</u>	<u>(959,602)</u>

The notes form part of these financial statements

**Company Statement of Changes in Equity  
for the Year Ended 30 March 2019**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 31 March 2017</b>	100	(1,634,162)	(1,634,062)
<b>Changes in equity</b>			
Issue of share capital	100	-	100
Total comprehensive income	-	(2,760,642)	(2,760,642)
<b>Balance at 30 March 2018</b>	<u>200</u>	<u>(4,394,804)</u>	<u>(4,394,604)</u>
<b>Changes in equity</b>			
Total comprehensive income	-	4,170,117	4,170,117
<b>Balance at 30 March 2019</b>	<u>200</u>	<u>(224,687)</u>	<u>(224,487)</u>

**Consolidated Cash Flow Statement  
for the Year Ended 30 March 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(78,233)	(4,269,746)
Interest paid		(2,281,747)	(1,378,457)
Net cash from operating activities		<u>(2,359,980)</u>	<u>(5,648,203)</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(106,908)	(63,385)
Purchase of tangible fixed assets		(87,934)	(103,957)
Sale of intangible fixed assets		-	8,214,210
Sale of tangible fixed assets		-	303
Interest received		15,963	30,494
Net cash from investing activities		<u>(178,879)</u>	<u>8,077,665</u>
<b>Cash flows from financing activities</b>			
Loans from/(to) related party		(1,304,322)	680,204
Other loans		5,802,416	(934,248)
Capital repayments in year		(37,253)	(17,586)
Amount withdrawn by directors		-	(20,000)
Share issue		-	100
Net cash from financing activities		<u>4,460,841</u>	<u>(291,530)</u>
<b>Increase in cash and cash equivalents</b>		<u>1,921,982</u>	<u>2,137,932</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>2,185,025</u>	<u>47,093</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>4,107,007</u></u>	<u><u>2,185,025</u></u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement  
for the Year Ended 30 March 2019**

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

	2019 £	2018 £
Profit/(loss) before taxation	4,743,414	(3,596,087)
Depreciation charges	171,217	149,575
Loss on disposal of fixed assets	1,052	-
Finance costs	2,281,747	1,378,457
Finance income	(15,963)	(30,494)
	<u>7,181,467</u>	<u>(2,098,549)</u>
(Increase)/decrease in stocks	(6,983,898)	223,607
Increase in trade and other debtors	(3,385,399)	(4,045,368)
Increase in trade and other creditors	<u>3,109,597</u>	<u>1,650,564</u>
<b>Cash generated from operations</b>	<u><u>(78,233)</u></u>	<u><u>(4,269,746)</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 March 2019**

	30.3.19 £	31.3.18 £
Cash and cash equivalents	<u><u>4,107,007</u></u>	<u><u>2,185,025</u></u>

**Year ended 30 March 2018**

	30.3.18 £	31.3.17 £
Cash and cash equivalents	<u><u>2,185,025</u></u>	<u><u>47,093</u></u>

**Notes to the Consolidated Financial Statements  
for the Year Ended 30 March 2019**

**1. STATUTORY INFORMATION**

Pure Legal Limited 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 General Information page.

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

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

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

The following are the critical judgements, that the directors and members have made in the process of applying accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

**Revenue recognition**

In assessing whether unbilled time is recognised as work in progress at cost or as accrued income in accordance with FRS 102, management are required to make judgements in determining the point at which the contingency is resolved and when the fair value of consideration can be measured reliably.

Where the contingency is not resolved by the date of the signing of the accounts, the amount is included at estimated recoverable value less costs to completion and appropriate commercial reductions for uncertainty.

Management are also required to assess the expected net realisable value on cases by reference to the outcomes of previous matters, which is also considered to be a key source of estimation uncertainty.

**Turnover**

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

**Goodwill**

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is presumed to be ten years unless specific circumstances give rise to a shorter lifespan. Provision is made for any impairment.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of nil years.

**Tangible fixed assets**

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

Improvements to property - 20% on a straight line basis  
Fixtures and fittings - 15% on a straight line basis  
Office equipment - 15% on a straight line basis  
Computer equipment - 33% on a straight line basis

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019**

**2. ACCOUNTING POLICIES - continued**

**Work in progress**

Work in progress is recognised at the lower of cost and net realisable value on contingent work where the fair value of the consideration receivable can be measured reliably.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

	2019 £	2018 £
Wages and salaries	3,330,958	2,580,462
Social security costs	312,696	232,729
Other pension costs	24,103	11,484
	<u>3,667,757</u>	<u>2,824,675</u>

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

	2019	2018
Administration	47	41
Fee earners	61	43
	<u>108</u>	<u>84</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019

4. DIRECTORS' AND MEMBERS' EMOLUMENTS

	2019	2018
	£	£
Directors' remuneration	155,087	245,422
Directors' pension contributions to money purchase schemes	1,610	-
	<u>156,697</u>	<u>245,422</u>

5. OPERATING PROFIT/(LOSS)

The operating profit (2018 - operating loss) is stated after charging:

	2019	2018
	£	£
Plant leasing charges	13,063	21,017
Depreciation - owned assets	73,669	65,520
Loss on disposal of fixed assets	1,052	-
Goodwill amortisation	80,159	80,159
Computer software amortisation	17,388	3,895
Auditors' remuneration	21,000	20,000
	<u>196,329</u>	<u>190,591</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2019	2018
	£	£
Loan interest	2,281,747	1,378,457
	<u>2,281,747</u>	<u>1,378,457</u>

7. TAXATION

**Analysis of the tax charge**

No liability to UK corporation tax arose for the year ended 30 March 2019 nor for the year ended 30 March 2018.

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019

## 9. INTANGIBLE FIXED ASSETS

**Group**

	Goodwill £	Computer software £	Totals £
<b>COST</b>			
At 31 March 2018	801,591	66,155	867,746
Additions	-	106,908	106,908
At 30 March 2019	801,591	173,063	974,654
<b>AMORTISATION</b>			
At 31 March 2018	80,159	6,195	86,354
Amortisation for year	80,159	17,388	97,547
At 30 March 2019	160,318	23,583	183,901
<b>NET BOOK VALUE</b>			
At 30 March 2019	641,273	149,480	790,753
At 30 March 2018	721,432	59,960	781,392

**Company**

	Goodwill £	Computer software £	Totals £
<b>COST</b>			
At 31 March 2018	801,591	66,155	867,746
Additions	-	106,908	106,908
At 30 March 2019	801,591	173,063	974,654
<b>AMORTISATION</b>			
At 31 March 2018	80,159	6,195	86,354
Amortisation for year	80,159	17,388	97,547
At 30 March 2019	160,318	23,583	183,901
<b>NET BOOK VALUE</b>			
At 30 March 2019	641,273	149,480	790,753
At 30 March 2018	721,432	59,960	781,392

Following a re-negotiation of the deferred consideration payable as part of the acquisition of Pryors Solicitors LLP, a disposal of goodwill previously recognised has occurred to reflect the reduced value of the investment.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019

## 10. TANGIBLE FIXED ASSETS

**Group**

	Improvements to property £	Fixtures and fittings £	Office equipment £	Totals £
<b>COST</b>				
At 31 March 2018	34,664	87,801	221,177	343,642
Additions	-	31,088	56,846	87,934
Disposals	-	(3,725)	(40,564)	(44,289)
At 30 March 2019	<u>34,664</u>	<u>115,164</u>	<u>237,459</u>	<u>387,287</u>
<b>DEPRECIATION</b>				
At 31 March 2018	10,668	(9,655)	60,454	61,467
Charge for year	6,933	21,204	45,532	73,669
Eliminated on disposal	-	(3,679)	(39,558)	(43,237)
At 30 March 2019	<u>17,601</u>	<u>7,870</u>	<u>66,428</u>	<u>91,899</u>
<b>NET BOOK VALUE</b>				
At 30 March 2019	<u>17,063</u>	<u>107,294</u>	<u>171,031</u>	<u>295,388</u>
At 30 March 2018	<u>23,996</u>	<u>97,456</u>	<u>160,723</u>	<u>282,175</u>

**Company**

	Improvements to property £	Fixtures and fittings £	Office equipment £	Totals £
<b>COST</b>				
At 31 March 2018	10,447	63,482	178,467	252,396
Additions	-	27,841	44,524	72,365
At 30 March 2019	<u>10,447</u>	<u>91,323</u>	<u>222,991</u>	<u>324,761</u>
<b>DEPRECIATION</b>				
At 31 March 2018	4,270	3,308	35,673	43,251
Charge for year	2,090	11,257	32,261	45,608
At 30 March 2019	<u>6,360</u>	<u>14,565</u>	<u>67,934</u>	<u>88,859</u>
<b>NET BOOK VALUE</b>				
At 30 March 2019	<u>4,087</u>	<u>76,758</u>	<u>155,057</u>	<u>235,902</u>
At 30 March 2018	<u>6,177</u>	<u>60,174</u>	<u>142,794</u>	<u>209,145</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019

11. **FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 31 March 2018 and 30 March 2019	3,698,509
<b>NET BOOK VALUE</b>	
At 30 March 2019	3,698,509
At 30 March 2018	3,698,509

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries**

**Pryers Solicitors LLP**

Registered office: 13 The Stonebow, York, England, YO1 7NP  
Nature of business: Solicitors

	30.03.19 £	30.03.18 £
Aggregate members interests	1,461,676	930,356
Profit/(Loss) for the period	573,297	(835,445)

Pryers Solicitors LLP was acquired in December 2015, for total consideration of £12.7 million. The company acquired 100% of the net assets of the LLP. There was no initial payment of consideration upon completion of the acquisition. Payment of consideration is deferred and subject to the future profit generated by the LLP.

Following a re-negotiation of the deferred consideration payable between Pure Legal Limited and the original vendors of Pryers Solicitors LLP, an agreement was reached to reduce the overall amount payable to £4.5 million.

The consideration payable was allocated as follows:

	£
Net assets	3,698,409
Goodwill	801,591
Consideration	4,500,000

**Pure Litigation Funding Limited**

Registered office: Pure House, Kings Drive, Prescot, L34 1PJ  
Nature of business: Solicitors

	% holding	2019 £	31.3.18 £
Class of shares:			
Ordinary	100.00	100	100
Aggregate capital and reserves			

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019

11. FIXED ASSET INVESTMENTS - continued

12. STOCKS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Work-in-progress	9,231,490	2,247,592	9,231,490	507,201

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	12,416,908	11,034,301	5,040,235	4,305,627
Amounts owed by group undertakings	691,110	-	666,610	-
Amounts recoverable on contract	1,845,004	-	-	-
Other debtors	614,118	1,040,682	553,368	883,890
Prepayments and accrued income	469,151	295,853	85,687	6,588
	16,036,291	12,370,836	6,345,900	5,196,105

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Other loans (see note 16)	18,563,049	10,560,633	17,039,977	8,536,518
Hire purchase contracts (see note 17)	-	37,253	-	37,253
Trade creditors	8,755,273	7,631,604	2,751,524	2,017,247
Amounts owed to group undertakings	738,662	-	1,818,550	1,382,434
Social security and other taxes	1,184,838	224,268	909,013	14,823
Other creditors	1,229,739	1,841,848	1,196,086	883,032
Director's current accounts	-	-	-	933,320
Accrued expenses	177,520	302,980	94,059	144,316
	30,649,081	20,598,586	23,809,209	13,948,943

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Other loans (see note 16)	771,450	2,971,450	771,450	2,971,450

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 March 2019**

**16. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	2019 £	2018 £	2019 £	2018 £
Amounts falling due within one year or on demand:				
Other loans	<u>18,563,049</u>	<u>10,560,633</u>	<u>17,039,977</u>	<u>8,536,518</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>771,450</u>	<u>2,971,450</u>	<u>771,450</u>	<u>2,971,450</u>

**17. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	2019 £	2018 £
Net obligations repayable:		
Within one year	<u>-</u>	<u>37,253</u>

**Company**

	<b>Hire purchase contracts</b>	
	2019 £	2018 £
Net obligations repayable:		
Within one year	<u>-</u>	<u>37,253</u>

Finance charges on hire purchase contracts totalled (2018: £11,770).

**Group**

	<b>Non-cancellable operating leases</b>	
	2019 £	2018 £
Within one year	369,782	143,314
Between one and five years	831,044	553,941
In more than five years	355,041	493,007
	<u>1,555,867</u>	<u>1,190,262</u>

**Company**

	<b>Non-cancellable operating leases</b>	
	2019 £	2018 £
Within one year	128,909	10,594
Between one and five years	87,056	-
	<u>215,965</u>	<u>10,594</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019

17. **LEASING AGREEMENTS - continued**

Operating lease payments recognised as an expense totalled £84,591 (2018: £58,066).

18. **SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>		<b>Company</b>	
	2019	2018	2019	2018
	£	£	£	£
Funding facility	<u>7,612,035</u>	<u>9,085,022</u>	<u>-</u>	<u>7,060,908</u>

These debts are secured by way of:

1. A first fixed charge, dated 7 July 2016, over the book debts of the company.
2. Assigns and agrees to assign its right, title and benefit in each present and future relevant agreement.
3. A first fixed charge, dated 7 July 2016, over the rights and interests in each relevant agreement not assigned under provision 2 above.
4. A first floating charge, dated 7 July 2016, over the proceeds and other amounts repaid by or on behalf of the clients for or in respect of the book debts.
5. A first floating charge, dated 7 July 2016, over the undertakings and assets without limitation which are not validly charged in the above provisions.
6. Charge created on 28 January 2016 contains fixed and floating charge. Floating charge covers all the property or undertaking of the LLP and contains negative pledge.
7. Charge created on 27 April 2017 contains fixed and floating charge. Floating charge covers all the property or undertaking of the LLP and contains negative pledge.
8. Charge created on 28 July 2017 contains fixed and floating charge. Floating charge covers all the property or undertaking of the LLP and contains negative pledge.

19. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
100	Ordinary	£1	<u>200</u>	<u>200</u>

20. **RESERVES**

**Group**

	Retained earnings
	£
At 31 March 2018	(5,703,216)
Profit for the year	<u>4,743,414</u>
At 30 March 2019	<u>(959,802)</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 March 2019**

**20. RESERVES - continued**

**Company**

	Retained earnings £
At 31 March 2018	(4,394,804)
Profit for the year	4,170,117
	<u>(224,687)</u>
At 30 March 2019	<u>(224,687)</u>

**21. RELATED PARTY DISCLOSURES**

**Other related parties**

	2019 £	2018 £
Sales	-	28,500
Purchases	951,802	2,681,626
Amount due from related party	691,110	-
Amount due to related party	<u>1,487,834</u>	<u>1,351,874</u>

Terms and conditions of transactions with related parties:

Sales and purchases between related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and cash settlement is expected within the ordinary course of business.