Registered number: 10533767

GLOBAL COUNSEL LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020

GLOBAL COUNSEL LTD
REGISTERED NUMBER: 10533767

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note		2020 £		2019 £
Fixed assets					
Intangible assets	4		**28,464**		43,598
Tangible assets	5		**-**		54,331
Investments	6		**36,920**		36,143
			65,384		134,072
Current assets					
Debtors: amounts falling due within one year	7	**2,481,489**		1,345,462	
Cash at bank and in hand	8	**217,464**		266,611	
		2,698,953		1,612,073	
Creditors: amounts falling due within one year	9	**(1,975,251)**		(1,147,073)	
Net current assets			**723,702**		465,000
Total assets less current liabilities			**789,086**		599,072
Creditors: amounts falling due after more than one year	10		**(401,017)**		-
Provisions for liabilities					
Deferred tax	12	**-**		(4,289)	
			-		(4,289)
Net assets			**388,069**		594,783
Capital and reserves					
Called up share capital			**100**		100
Share premium account			**200,000**		200,000
Profit and loss account			**187,969**		394,683
			388,069		594,783

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with 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 23 December 2021.

Benjamin Charles Wegg-Prosser
Director

The notes on pages 4 to 13 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 20 January 2019	**100**	**200,000**	**398,995**	**599,095**
Comprehensive income for the year				
Profit for the year	-	-	575,156	575,156
Dividends: Equity capital	-	-	(579,468)	(579,468)
At 1 January 2020	**100**	**200,000**	**394,683**	**594,783**
Comprehensive income for the year				
Profit for the year	-	-	471,686	471,686
Dividends: Equity capital	-	-	(282,400)	(282,400)
Purchase of own shares	-	-	(396,000)	(396,000)
Total transactions with owners	-	-	(678,400)	(678,400)
At 31 December 2020	**100**	**200,000**	**187,969**	**388,069**

The notes on pages 4 to 13 form part of these financial statements.

1. General information

Global Counsel Ltd was incorporated as Global Counsel Consulting Ltd, a private company limited by shares in England & Wales, registered number 10533767, on 20 December 2016 changing its name by special resolution on 17 January 2017.

The company's registered office is at 6th Floor, 2 London Wall Place, London, EC2Y 5AU.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue 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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2. Accounting policies (continued)

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2. Accounting policies (continued)

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	four years
Computer equipment	-	three years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 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.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 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.

2. Accounting policies (continued)

2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.18 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 income and retained earnings.

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.

2. Accounting policies (continued)

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Directors	**3**	3
Other personnel	**42**	36
	45	39

4. Intangible assets

	Patents £
Cost	
At 1 January 2020	**59,221**
At 31 December 2020	**59,221**
Amortisation	
At 1 January 2020	**15,623**
Charge for the year on owned assets	**15,134**
At 31 December 2020	**30,757**
Net book value	
At 31 December 2020	**28,464**
At 31 December 2019	43,598

5. Tangible fixed assets

	Office equipment	Computer equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2020	112,581	15,375	127,956
At 31 December 2020	112,581	15,375	127,956
Depreciation			
At 1 January 2020	58,250	15,375	73,625
Charge for the year on owned assets	54,331	-	54,331
At 31 December 2020	112,581	15,375	127,956
Net book value			
At 31 December 2020	-	-	-
At 31 December 2019	54,331	-	54,331

6. Fixed asset investments

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 January 2020	36,143
Additions	777
At 31 December 2020	36,920

7. Debtors

	2020	2019
	£	£
Trade debtors	**1,468,449**	1,036,822
Amounts owed by group undertakings	**358,393**	-
Other debtors	**356,891**	75,318
Prepayments and accrued income	**297,756**	233,322
	2,481,489	1,345,462

8. Cash and cash equivalents

	2020	2019
	£	£
Cash at bank and in hand	**217,464**	266,611
	217,464	266,611

9. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Bank loans	**108,395**	-
Trade creditors	**255,797**	193,455
Corporation tax	**123,017**	97,463
Other taxation and social security	**1,028,725**	362,139
Other creditors	**30,079**	30,079
Accruals and deferred income	**429,238**	463,937
	1,975,251	1,147,073

10. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Bank loans	**401,017**	-
	401,017	-

11. Loans

Analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year		
Bank loans	**108,395**	-
	108,395	-
Amounts falling due 1-2 years		
Bank loans	**163,295**	-
	163,295	-
Amounts falling due 2-5 years		
Bank loans	**237,722**	-
	237,722	-
	509,412	-

12. Deferred taxation

	2020
	£
At beginning of year	**4,289**
Charged to profit or loss	**(4,289)**
At end of year	**-**

The deferred taxation balance is made up as follows:

	2020	2019
	£	£
Accelerated capital allowances	**-**	4,289
	-	4,289

13. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £212,455 (2019: £184,754). Contributions totalling £12,500 (2019: £12,500) were payable to the fund at the balance sheet date and are included in accruals and deferred income.

14. Related party transactions

Aggregate dividends paid to the directors during the year amounted to £160,000 (2019: £463,574).