

Cow Corner Accounting 1 Limited

Annual Report and Financial Statements

For the year ended 31 March 2023



Company Registration No. 13576682 (England and Wales)

Cow Corner Accounting 1 Limited

Company Information

Directors	S Baxter C Ross
Company number	13576682
Registered office	4th Floor Atlas Chambers 33 West Street Brighton East Sussex BN1 2RE
Auditor	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

Cow Corner Accounting 1 Limited

Contents

	Page
Strategic report	1 - 2
Directors' report	3 - 5
Directors' responsibilities statement	6
Independent auditor's report	7 - 11
Group profit and loss account	12
Group balance sheet	13 - 14
Company balance sheet	15
Group statement of changes in equity	16
Company statement of changes in equity	17
Group statement of cash flows	18
Notes to the financial statements	19 - 43

Cow Corner Accounting 1 Limited

Strategic Report

For the year ended 31 March 2023

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

Fair review of the business

Cow Corner Accounting 1 Limited ("the company") is a holding company which through its subsidiary undertakings ("the group") provides audit and accountancy, taxation and advisory services to two locations, Sussex and the neighbouring counties (Galloways), and the Northwest of England (Mitchell Charlesworth).

As this was the first year of trading comparative figures are not available.

Group revenue for the year was £22.0m (2022: £Nil), with operating profits of £1.8m (2022: £Nil). The group's operating profits are subdued due to our continued investment in the business.

Financial Position

The balance sheet shows the group's financial position at the year end. Net assets totalled £14.2m (2022: £Nil) and current assets totalled £420.5k (2022: £Nil), including cash of £3.7m (2022: £Nil).

The directors believe the company to be well positioned for future growth.

Acquisitions

Part of the group's long-term strategy is to continue to find like-minded practices to join our firms in Sussex and the Northwest.

Full details of the firms who have joined are set out in note 13 to the financial statements.

Financial KPIs

The directors continually monitor the effectiveness of the group's operating performance by considering various key performance indicators. The main KPIs used by the board are revenue, profit margins, EBITDA and cash flow. The group has adequate cash available to fund all day-to-day activities without any debt facilities. Historical and forward-looking financial information, including management accounts and cash flow forecasts are regularly reviewed by the board.

Non-Financial KPIs

As the business is dependent on the strength of its team, we regularly review non financial KPIs such as staff retention and staff turnover.

Principal risks and uncertainties

The company is exposed to market risk and price pressure from competitors which could significantly impact the valuation of investments, goodwill and other intangible assets, as well as impacting the trading performance of the group.

The company monitors all aspects of risk including economic risk competition and changes in market conditions, financial risk and customer dependencies. The group has a large number of clients that reduces the risk that it is overly dependent on a single customer.

Credit risk

The company has implemented policies that require appropriate credit checks on potential clients before sales are made. Credit risk is managed by close attention to credit control procedures.

Liquidity risk

The company actively manages its working capital requirements to ensure it has sufficient funds for its operations.

Inflation risk

We monitor economic conditions closely and the nature of our business is that a large proportion of our costs are our people. Where significant, prolonged periods of inflation impact their cost of living, we will seek to balance the conditions of our team with our ability to pass on price inflation to our customers.

Cow Corner Accounting 1 Limited

Strategic Report (Continued)

For the year ended 31 March 2023

Development and performance

Investment in People, Technology, and Infrastructure

Our success is dependent on our people and the relationships they form with our clients with the majority of our new clients coming via referrals. Growth is therefore predicated on having a team able to build quality relationships with clients.

Our focus is therefore on investing in both retaining and recruiting people that share the values and ambitions of the Group.

We do this by giving our people the opportunity to build rewarding and successful careers along with the tools to do so, whether it be it support through training and exam qualification, quality working environment or access to the latest technology.

We continued to focus on supporting our clients and providing a high-quality service by operating a hybrid and agile working model.

Our commitment to providing quality working environments was demonstrated by the recent investment in new offices in Horsham.

Promoting the success of the group

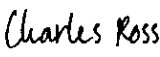
This statement sets out how the group complies with the requirements of Section 172 Companies Act 2006, by considering the group's purpose and values together with its strategic priorities. The group has a detailed process in place for decision making by the board.

The directors delegate authority for all day-to-day management of the group's affairs to the management team, they are committed to maintaining constructive dialogue with the directors and shareholders, engaging regularly to understand their perspectives and ensure these are considered during decision making.

The directors' primary responsibility is to promote the long-term success of the group by creating and delivering sustainable shareholder value as well as contributing to wider society. The directors, along with key personnel, annually review the budget and monitor the implementation throughout the year using detailed reports on operating and financial performance. There are considerations to external factors such as the economic, political and market conditions. They take the reputation of the group seriously which is not limited to operating and financial performance and have committed to diversity and inclusivity across its workforce.

On behalf of the board

DocuSigned by:


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C Ross

Director

7/3/2024

Date:

Cow Corner Accounting 1 Limited

Directors' Report

For the year ended 31 March 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

In accordance with Section 414C(11) of the Companies Act 2006, information relating to future developments and risk management are included in the Strategic Report.

Principal activities

The principal activity of the group is the provision of audit and accountancy, taxation and advisory services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Baxter
C Ross

Results and dividends

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Disabled persons

As an employer, the group continues to take its responsibilities towards disabled persons seriously. Every consideration is given to employment applications from disabled persons, having regard to the requirements of the specific role in question and the aptitude of the applicant.

Employee involvement

The business fully understands the key role its employees play in its success and has continued to strive to provide a supportive and inclusive environment in which team members can achieve and thrive. Along with reviews of remuneration packages, we regard the training and support offered to employees as a key part of our offering. The well-being and happiness of employees forms an important aspect of the business' planning. The senior team meet regularly with team members from across the business where exchanges of information and ideas continue to foster inclusion within the employee team.

Business relationships

The business holds its clients at the heart of all it does, with a view to providing excellent and personal service in order to retain those relationships going forward. Relationships with key supplier partners remain strong, with communication and prompt payment being important.

Auditor

Moore Kingston Smith LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Cow Corner Accounting 1 Limited

Directors' Report (Continued)

For the year ended 31 March 2023

Energy and carbon report

The information and data results provided below have been produced in a format which meet the mandatory requirements for Streamlined Energy and Carbon Reporting (SECR). Under the Companies (Directors' report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 we are required to disclose our UK energy use and associated greenhouse gas (GHG) emissions. Specifically, we are required to report these GHG emissions relating to natural gas, electricity and transport fuel, as well as an intensification ratio under the regulations.

Methodology

This report has been compiled in accordance with the requirements set out in the HM Government document Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance March 2019 and utilising the UK Government GHG conversion factors for company reporting, June 2019. The above was in conjunction with the ESOS methodology (Energy Savings Opportunity Scheme version 6, October 2019).

To ensure that we achieve and deliver effective emissions control and management, we are utilising recognised and robust methods. Accordingly, whilst no prescribed methodology is detailed in the regulations, we collect our data sets annually, and measure and calculate our carbon footprint using the relevant conversion factors issued by DEFRA (Department for Environment, Food, and Rural Affairs) / BEIS (Department for Business, Energy and Industrial Strategy) in June 2019.

The Streamlined Energy and Carbon reporting included in this report covers the year to 31 March 2023.

	2023 kWh	2022 kWh
Energy consumption		
Aggregate of energy consumption in the year		
- Gas combustion	349,303	-
- Electricity purchased	252,545	-
	<u>601,848</u>	<u>-</u>
	2023 metric tonnes	2022 metric tonnes
Emissions of CO2 equivalent		
Scope 1 - direct emissions		
- Gas combustion	69.86	-
Scope 2 - indirect emissions		
- Electricity purchased	48.84	-
	<u>118.70</u>	<u>-</u>
Total gross emissions		
	<u>0.29</u>	<u>-</u>
Intensity ratio		
Tonnes CO2e per employee		
	<u>0.29</u>	<u>-</u>

Emissions pertaining to transport fuel have been excluded as they are not relevant to the group.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per employee, the recommended ratio for the sector.

Cow Corner Accounting 1 Limited

Directors' Report (Continued)

For the year ended 31 March 2023

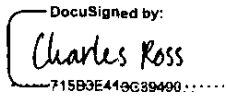
Measures taken to improve energy efficiency

We remain committed to lowering our energy usage and focus on energy efficiency throughout the group, wherever it is feasible to do so. We recognise that climate change is a threat that affects us all, and that we have a role to play in lowering the greenhouse gas emissions in our operations and within our community. With the addition of new offices this is at the forefront of our thinking. We are committed to lowering our carbon emissions over the coming years in line with our commitment to be a socially conscious business.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

DocuSigned by:

715B3E419C39400.....
C Ross
Director

7/3/2024
Date:

Cow Corner Accounting 1 Limited

Directors' Responsibilities Statement

For the year ended 31 March 2023

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Cow Corner Accounting 1 Limited

Independent Auditor's Report

To the Members of Cow Corner Accounting 1 Limited

Opinion

We have audited the financial statements of Cow Corner Accounting 1 Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Group Profit And Loss Account, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including 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 the parent company's affairs as at 31 March 2023 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 group's and parent 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 course of 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 this gives rise to 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.

Cow Corner Accounting 1 Limited

Independent Auditor's Report (Continued)

To the Members of Cow Corner Accounting 1 Limited

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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.

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 their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

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 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 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 group's and 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 parent company or to cease operations, or have no realistic alternative but to do so.

Cow Corner Accounting 1 Limited

Independent Auditor's Report (Continued)

To the Members of Cow Corner Accounting 1 Limited

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.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cow Corner Accounting 1 Limited

Independent Auditor's Report (Continued)

To the Members of Cow Corner Accounting 1 Limited

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

□

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, the regulations of the Financial Conduct Authority, UK taxation legislation, and the professional rules and code of conduct of the Institute of Chartered Accountants in England and Wales.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of noncompliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

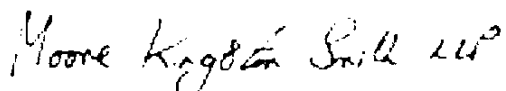
Cow Corner Accounting 1 Limited

Independent Auditor's Report (Continued)

To the Members of Cow Corner Accounting 1 Limited

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 for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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.



John Staniforth (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

Date: 11 March 2024

Chartered Accountants
Statutory Auditor

6th Floor
9 Appold Street
London
EC2A 2AP

Cow Corner Accounting 1 Limited

Group Profit and Loss Account

For the year ended 31 March 2023

		Year ended 31 March 2023 £	Period ended 31 March 2022 £
	Notes		
Turnover	3	21,965,366	-
Cost of sales		(12,748,796)	-
Gross profit		9,216,570	-
Administrative expenses		(7,489,186)	-
Other operating income		72,373	-
Operating profit	4	1,799,757	-
Interest receivable and similar income		1,660	-
Interest payable and similar expenses	8	(584,270)	-
Profit before taxation		1,217,147	-
Tax on profit	9	(664,682)	-
Profit for the financial year		552,465	-
Profit for the financial year is attributable to:			
- Owner of the parent company		339,822	-
- Non-controlling interests		212,643	-
		552,465	-

Cow Corner Accounting 1 Limited

Group Balance Sheet

As at 31 March 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Goodwill	10	20,648,352		-	
Other intangible assets	10	2,175		-	
Total intangible assets		20,650,527		-	
Tangible assets	11	1,468,812		-	
		22,119,339		-	
Current assets					
Debtors	14	11,140,319		1	
Cash at bank and in hand		3,699,650		-	
		14,839,969		1	
Creditors: amounts falling due within one year	15	(14,419,474)		-	
Net current assets		420,495			1
Total assets less current liabilities		22,539,834			1
Creditors: amounts falling due after more than one year	16	(8,092,544)		-	
Provisions for liabilities					
Provisions	18	(15,000)		-	
Deferred tax liability	19	(210,038)		-	
		(225,038)		-	
Net assets		14,222,252			1
Capital and reserves					
Called up share capital	22	216,119		1	
Share premium account		11,865,454		-	
Profit and loss reserves		339,822		-	
Equity attributable to owner of the parent company		12,421,395		1	
Non-controlling interests		1,800,857		-	
		14,222,252			1

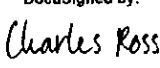
Cow Corner Accounting 1 Limited

Group Balance Sheet (Continued)

As at 31 March 2023

The financial statements were approved by the board of directors and authorised for issue on 7/3/2024
and are signed on its behalf by:

DocuSigned by:


715B3E443G28490

C Ross

Director

Cow Corner Accounting 1 Limited

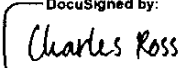
Company Balance Sheet

As at 31 March 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	12	17,881,773		-	
Current assets					
Debtors	14	1		1	
Creditors: amounts falling due within one year	15	(5,800,201)		-	
Net current (liabilities)/assets		(5,800,200)			1
Net assets		12,081,573			1
Capital and reserves					
Called up share capital	22	216,119			1
Share premium account		11,865,454			-
Total equity		12,081,573			1

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2022 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 7/3/2024 and are signed on its behalf by:

DocuSigned by:

 715B8E413039480
 C Ross
 Director

Company Registration No. 13576682 (England and Wales)

Cow Corner Accounting 1 Limited

Group Statement of Changes in Equity

For the year ended 31 March 2023

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total controlling interest £	Non-controlling interest £	Total £
Balance at 20 August 2021		-	-	-	-	-	-
Period ended 31 March 2022:							
Profit and total comprehensive income for the period		-	-	-	-	-	-
Issue of share capital	22	1	-	-	1	-	1
Balance at 31 March 2022		1	-	-	1	-	1
Period ended 31 March 2023:							
Profit and total comprehensive income for the period		-	-	339,822	339,822	212,643	552,465
Issue of share capital	22	216,118	11,865,454	-	12,081,572	-	12,081,572
Acquisition of subsidiary		-	-	-	-	1,588,214	1,588,214
Balance at 31 March 2023		216,119	11,865,454	339,822	12,421,395	1,800,857	14,222,252

Cow Corner Accounting 1 Limited

Company Statement of Changes in Equity

For the year ended 31 March 2023

	Notes	Share capital £	Share premium account £	Total £
Balance at 20 August 2021		-	-	-
Period ended 31 March 2022:				
Profit and total comprehensive income for the period		-	-	-
Issue of share capital	22	1	-	1
Balance at 31 March 2022		1	-	1
Period ended 31 March 2023:				
Profit and total comprehensive income for the period		-	-	-
Issue of share capital	22	216,118	11,865,454	12,081,572
Balance at 31 March 2023		216,119	11,865,454	12,081,573

Cow Corner Accounting 1 Limited

Group Statement of Cash Flows

For the year ended 31 March 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28	3,810,373		-	
Interest paid		(36,294)		-	
Income taxes paid		(26)		-	
Net cash inflow/(outflow) from operating activities		3,774,053			-
Investing activities					
Cash acquired on purchase of subsidiaries		1,914,052		-	
Purchase of intangible assets		(349,724)		-	
Proceeds from disposal of intangibles		102,180		-	
Purchase of tangible fixed assets		(382,022)		-	
Proceeds from disposal of tangible fixed assets		4,755		-	
Interest received		1,660		-	
Net cash generated from/(used in) investing activities		1,290,901			-
Financing activities					
Repayment of borrowings		(1,215,304)		-	
Repayment of bank loans		(150,000)		-	
Net cash used in financing activities		(1,365,304)			-
Net increase in cash and cash equivalents		3,699,650			-
Cash and cash equivalents at beginning of year		-		-	
Cash and cash equivalents at end of year		3,699,650			-

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements

For the year ended 31 March 2023

1 Accounting policies

Company information

Cow Corner Accounting 1 Limited ("the company") is a private company limited by shares, domiciled and incorporated in England and Wales. The registered office is 4th Floor Atlas Chambers, 33 West Street, Brighton, East Sussex, BN1 2RE.

The group consists of Cow Corner Accounting 1 Limited and all of its subsidiaries.

1.1 Reporting period

Cow Corner Accounting 1 was dormant in the prior period, hence there are no comparative figures in these financial statements. Trade commenced on 15 June 2022 when the company acquired Galloways Accounting Holdings Limited and MC Topco Limited.

1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006. The accounting policies have been applied consistently throughout the year and preceding year.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.4 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Cow Corner Accounting 1 Limited together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.5 Going concern

The group has recognised a net profit after tax of £552,465 (2022: £Nil) for the year ended 31 March 2023 and, as at that date, had net assets of £14,222,252 (2022: £1) and net current assets of £420,495 (2022: £1).

During the year, the group acquired the trading activities of Mitchell Charlesworth Chartered Accountancy group and Galloways Chartered Accountancy group.

The directors are confident, following a review of the group's cash flow projections over the next twelve months, that the group has sufficient resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the group's financial statements.

1.6 Turnover

Turnover represents revenue earned under contracts to provide professional services including accounting, taxation and private client services. Revenue is recognised when the stage of completion of the contract, and the amount receivable can be measured reliably and it is probable that the revenue will be received. It is measured at the fair value of the consideration received or receivable net of VAT.

Revenue not billed to clients is included as amounts recoverable on contracts within current assets.

Income earned from providing support services and the recharge of the cost of staff to connected entities is included in other income.

Amounts invoiced in advance of the services being rendered are treated as payments on account included within creditors.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is one to ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.8 Intangible fixed assets other than goodwill

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer software	4 to 5 years straight line
-------------------	----------------------------

1.9 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold Improvements	10% reducing balance/10% straight line/over the life of lease
Fixtures and Fittings	10% to 33% straight line
Computer Equipment	12.5% to 50% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.10 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.16 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense,

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Share-based payments

For cash-settled share-based payments, a liability is recognised for the goods and services acquired, measured initially at the fair value of the liability. At the balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

1.20 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

1 Accounting policies

(Continued)

1.21 Subsidiaries

The company's subsidiaries encompass various entities, notably Galloways Accounting Holdings Limited, which wholly owns several companies including New Road Nominees Limited, Galloways Accounting (Horsham) Limited, Cole Marie Partners (Holdings) Limited, Galloways Accounting Limited, Galloways Accounting (Uckfield) Limited, Galloways Accounting (CM) Limited, Galloways Accounting (Hove) Limited, Galloways Accounting Trust Corporation Limited, Galloways Accounting (Audit) Limited, and Galloways Accounting (Private Client) Limited. Cow Corner Accounting 1 Limited holds a majority ownership in MC Topco Limited, which in turn wholly owns Alto Accounting Limited, Mitchell Charlesworth Insurance Solutions Limited, Mitchell Charlesworth (Services) Limited, Mitchell Charlesworth (Audit) Limited, BWM Accountants Limited, and Mitchell Charlesworth Wealth Management Limited.

Subsidiaries of Cow Corner Accounting 1 Limited have elected to claim exemption from audit, utilising a parent company guarantee under section 479A of the Companies Act 2006 excluding Mitchell Charlesworth Wealth Management Limited.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The financial statements include significant judgements and estimates in respect of the economic life of tangible fixed assets, the depreciation of these assets, provisions, the recoverability of debtors and the valuation of amounts recoverable on contracts (unbilled revenue).

Critical estimates

The following estimates have had the most significant effect on amounts recognised in the financial statements.

Amounts recoverable on contracts

Amounts recoverable on contracts relating to unbilled revenue from accountancy and tax services is assessed on an individual matter basis with revenue earned being ascertained based on time spent to date. Unbilled time is subject to management review and time as measured at standard hourly rates is adjusted where this differs from the amount that is expected to be recovered.

Provision for doubtful debts

The recoverability of trade debtors and accrued income is regularly reviewed in the light of available economic information specific to each receivable and provisions are recognised for balances considered to be irrecoverable.

Impairment of goodwill

Goodwill on acquisition of subsidiary undertakings are shown at cost less provision for impairment. The carrying values of goodwill are reviewed for impairment when an event or changes in circumstances indicate the carrying value may not be fully recoverable.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

Depreciation of tangible assets and amortisation of intangible assets

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives. Amortisation is calculated to write off the cost of intangible assets in equal annual instalments over their estimated useful lives.

Impairment of investments

Investments in subsidiaries are held as fixed assets and shown at cost less provision for impairment. On consolidation the carrying value of investments is eliminated. The carrying values of fixed asset investments are reviewed for impairment when an event or changes in circumstances indicate the carrying value may not be fully recoverable.

Impairment of intangibles

The value of intangibles is shown at cost less amortisation less provision for impairment. The amortisation policy is set at 4 to 5 years. The carrying value of intangibles is reviewed for impairment when an event or changes in circumstances indicate the carrying value may not be fully recoverable.

3 Turnover and other revenue

	2023 £	2022 £
Turnover analysed by class of business		
Audit and accounts	16,536,918	-
Private client (inc tax)	4,828,184	-
Insolvency	60,049	-
Financial services	540,215	-
	<u>21,965,366</u>	<u>-</u>
	2023 £	2022 £
Turnover analysed by geographical market		
UK	<u>21,965,366</u>	<u>-</u>
	2023 £	2022 £
Other revenue		
Interest income	1,660	-
Rental income	66,019	-
Sundry income	<u>6,354</u>	<u>-</u>

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

4 Operating profit

	2023 £	2022 £
Operating profit for the period is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	249,346	-
Profit on disposal of tangible fixed assets	(191)	-
Amortisation of intangible assets	1,732,446	-
Profit on disposal of intangible assets	(97,000)	-
Share-based payments	11,326	-
Operating lease charges	663,419	-
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	14,000	-
Audit of the financial statements of the company's subsidiaries	50,000	-
	<u>64,000</u>	<u>-</u>
For other services		
All other non-audit services	24,000	-
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Administration	172	-	-	-
Fee Earners	244	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	416	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	11,790,338	-	-	-
Social security costs	1,210,427	-	-	-
Pension costs	349,084	-	-	-
	<u>13,349,849</u>	<u>-</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

The directors are not remunerated by the company, or its subsidiary undertakings, and are instead remunerated by other group entities.

8 Interest payable and similar expenses

	2023 £	2022 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	35,674	-
Interest on convertible loan notes	547,976	-
	<u>583,650</u>	<u>-</u>
Other finance costs:		
Interest on finance leases and hire purchase contracts	620	-
	<u>584,270</u>	<u>-</u>

9 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	545,583	-
Adjustments in respect of prior periods	(2,835)	-
	<u>542,748</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	121,934	-
	<u>664,682</u>	<u>-</u>

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	1,217,147	-
<i>Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)</i>	231,258	-
Tax effect of expenses that are not deductible in determining taxable profit	62,407	-
Tax effect of income not taxable in determining taxable profit	(93,591)	-
Tax effect of utilisation of tax losses not previously recognised	(1,155)	-
Change in unrecognised deferred tax assets	52,140	-
Adjustments in respect of prior years	(2,835)	-
Effect of change in corporation tax rate	29,810	-
Depreciation on assets not qualifying for tax allowances	21,118	-
Amortisation on assets not qualifying for tax allowances	323,346	-
Other permanent differences	42,184	-
Taxation charge	664,682	-

10 Intangible fixed assets

Group	Goodwill £	Computer software £	Total £
Cost			
At 1 April 2022	-	-	-
Additions - separately acquired	22,378,319	-	22,378,319
Additions - business combinations	-	9,834	9,834
Disposals	-	(5,180)	(5,180)
At 31 March 2023	22,378,319	4,654	22,382,973
Amortisation and impairment			
At 1 April 2022	-	-	-
Amortisation charged for the year	1,729,967	2,479	1,732,446
At 31 March 2023	1,729,967	2,479	1,732,446
Carrying amount			
At 31 March 2023	20,648,352	2,175	20,650,527
At 31 March 2022	-	-	-

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

10 Intangible fixed assets

(Continued)

The company had no intangible fixed assets at 31 March 2023 or 31 March 2022.

11 Tangible fixed assets

Group	Leasehold Improvements £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost				
At 1 April 2022	-	-	-	-
Additions	57,818	15,195	309,009	382,022
Business combinations	545,694	418,315	376,691	1,340,700
Disposals	(679)	(853)	(3,032)	(4,564)
At 31 March 2023	602,833	432,657	682,668	1,718,158
Depreciation and impairment				
At 1 April 2022	-	-	-	-
Depreciation charged in the year	57,507	45,743	146,096	249,346
At 31 March 2023	57,507	45,743	146,096	249,346
Carrying amount				
At 31 March 2023	545,326	386,914	536,572	1,468,812

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

12 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	13	-	-	17,881,773	-

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

12 Fixed asset investments (Continued)

Movements in fixed asset investments Company

Shares in
subsidiaries
£

Cost or valuation

At 1 April 2022

-

Additions

17,881,773

At 31 March 2023

17,881,773

Carrying amount

At 31 March 2023

17,881,773

At 31 March 2022

-

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

13 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Address	Class of shares held	% Held	
			Direct	Indirect
Galloways Accounting Holdings Limited	1	Ordinary	87.86	-
New Road Nominees Limited	1	Ordinary	-	87.86
Galloways Accounting (Horsham) Limited	2	Ordinary	-	87.86
Cole Marie Partners (Holdings) Limited	2	Ordinary	-	87.86
Galloways Accounting Limited	1	Ordinary	-	87.86
Galloways Accounting (Uckfield) Limited	3	Ordinary	-	87.86
Galloways Accounting (CM) Limited	2	Ordinary	-	87.86
Galloways Accounting (Hove) Limited	4	Ordinary	-	87.86
Galloways Accounting Trust Corporation Limited	1	Ordinary	-	87.86
Galloways Accounting (Audit) Limited	1	Ordinary	-	87.86
Galloways Accounting (Private Client) Limited	1	Ordinary	-	87.86
MC TopCo Limited	5	Ordinary	77.85	-
Alto Accounting Limited	6	Ordinary	-	77.85
Mitchell Charlesworth Insurance Solutions Limited	5	Ordinary	-	77.85
Mitchell Charlesworth (Services) Limited	5	Ordinary	-	77.85
Mitchell Charlesworth (Audit) Limited	5	Ordinary	-	77.85
Mitchel Charlesworth Wealth Management Limited	5	Ordinary	-	77.85
BWM Accountants Limited	7	Ordinary	77.85	-

Registered office addresses (all UK unless otherwise indicated):

- 1 Atlas Chambers, 33 West Street, Brighton, England, BN1 2RE
- 2 First Floor, Ridgeland House, 15 Carfax, Horsham, West Sussex, England, RH12 1DY
- 3 Office C Maple Barn, Beeches Farm Road, Uckfield, East Sussex, TN22 5QD
- 4 The Old Casino, 28 Fourth Avenue, Hove, East Sussex, England, BN3 2PJ
- 5 3rd Floor 5 Temple Square, Temple Street, Liverpool, England, L2 5RH
- 6 3rd Floor 44 Peter Street, Manchester, England, M2 5GP
- 7 Suite 5.1, 12 Tithebarn Street, Liverpool, England, L2 2DT

Subsequent to the reporting period, Alto Accounting Limited ceased to trade.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

14 Debtors

	Group 2023	2022	Company 2023	2022
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	5,796,613	-	-	-
Amounts owed by group undertakings	74,979	-	-	-
Other debtors	486,330	1	1	1
Amounts recoverable on contracts	3,653,853			
Prepayments and accrued income	1,099,044	-	-	-
	<u>11,110,819</u>	<u>1</u>	<u>1</u>	<u>1</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 19)	29,500	-	-	-
	<u>29,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debtors	<u>11,140,319</u>	<u>1</u>	<u>1</u>	<u>1</u>

An impairment loss of £160,862 (2022: £Nil) was recognised against debtors during the year.

15 Creditors: amounts falling due within one year

	Notes	Group 2023	2022	Company 2023	2022
		£	£	£	£
Bank loans	17	200,000	-	-	-
Other borrowings	17	889,388	-	-	-
Payments received on account		777,845	-	-	-
Trade creditors		873,688	-	-	-
Amounts owed to group undertakings		5,800,201	-	5,800,201	-
Corporation tax payable		651,202	-	-	-
Other taxation and social security		1,924,125	-	-	-
Other creditors		2,369,185	-	-	-
Accruals and deferred income		933,840	-	-	-
		<u>14,419,474</u>	<u>-</u>	<u>5,800,201</u>	<u>-</u>

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

16 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	17	433,333	-	-	-
Other borrowings	17	5,341,756	-	-	-
Other creditors		2,317,455	-	-	-
		<u>8,092,544</u>	<u>-</u>	<u>-</u>	<u>-</u>

17 Loans and overdrafts

		Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans		633,333	-	-	-
Other loans		6,231,144	-	-	-
		<u>6,864,477</u>	<u>-</u>	<u>-</u>	<u>-</u>
Payable within one year		1,089,388	-	-	-
Payable after one year		<u>5,775,089</u>	<u>-</u>	<u>-</u>	<u>-</u>

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

17 Loans and overdrafts

(Continued)

Bank loans:

The bank loan is repayable by instalments over the period to May 2026 and attracts an interest rate of 4.17% p.a. over the base rate. The bank loan held by Galloways Accounting Limited is secured via a fixed charge over the property owned now or in the future.

Loans from group undertakings:

The loans from group undertakings are interest free, unsecured and repayable on demand.

Other loans:

The other loans include the followings loans:

1) Included within MC TopCo Limited are D Loan Notes 2047 amounting to £511,000 at the reporting date, carry interest at a rate of 3.65% per annum and are unsecured. The loans are due for repayment on 1 January 2047 or earlier depending on whether there is an exit event.

2) Included within MC TopCo Limited are C Loan Notes 2047 amounting to £24,284 at the reporting date, carry interest at a rate of 3.65% per annum and are unsecured. The loans are due for repayment on 1 January 2047 or earlier depending on whether there is an exit event.

3) Included within MC TopCo Limited are C Loan Notes 2025 amounting to £189,000 at the reporting date, carry interest at a rate of 3.65% per annum and are unsecured. The loans are repayable by instalments with the final amount due for repayment on 31 October 2025 or earlier depending on whether there is an exit event.

4) Included within MC TopCo Limited are A Loan Notes 2047 amounting to £1,968,883 at the reporting date, carry interest at a rate of 3.65% per annum and are unsecured. The loans are due for repayment on 1 January 2047 or earlier depending on whether there is an exit event.

5) Included within MC TopCo Limited are B Loan Notes amounting to £579,012 at the reporting date, which are interest free and unsecured. The loans are repayable by instalments with the final amount due for repayment on 1 July 2023.

6) Included within Galloways Accounting Holdings Limited are Shareholder loans amounting to £2,958,965 at the reporting date, carry interest at a rate of 12% per annum and are unsecured. The loans are due for repayment on 21 September 2038 or earlier depending on whether there is an exit event.

18 Provisions for liabilities

	Group 2023 £	2022 £	Company 2023 £	2022 £
Dilapidations provision	15,000	-	-	-

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

18 Provisions for liabilities

(Continued)

Movements on provisions:

	Dilapidations provision £
Group	
Additional provisions in the year	15,000

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group, and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £	Assets 2023 £	Assets 2022 £
Group				
Accelerated capital allowances	210,038	-	29,500	-

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
Movements in the year:		
Asset at 1 April 2022	-	-
Charge to profit or loss	121,934	-
Charge to equity	58,604	-
Liability at 31 March 2023	180,538	-

20 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	349,084	-

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

21 Share-based payment transactions

The share options are in respect of the subsidiary, Galloways Accounting Holdings Ltd. Under the company plan, share options are granted to key employees at the average price of the company's shares at the grant date. The employee is entitled to exercise the share options within 90 days of vesting. Options can also be exercised early under certain circumstances. Options are forfeited if the employee leaves the company before they become entitled to exercise the share options.

Group	Number of share options		Weighted average exercise price	
	2023 Number	2022 Number	2023 £	2022 £
Outstanding at 1 April 2022	-	-	-	-
Granted	4,313	-	12.51	-
Outstanding at 31 March 2023	4,313	-	12.51	-
Exercisable at 31 March 2023	-	-	-	-

The weighted average fair value of options granted in the year was determined using the Black-Scholes model

At the end of the year a total of 4,313 ordinary share options at an exercise price of £12.5117 per ordinary share were outstanding.

The market price of the shares at 31 March 2023 is not considered materially different to the exercise price.

The total charge for the period for the above share options was £Nil (2022: £Nil).

	Group 2023 £	2022 £	Company 2023 £	2022 £
Expenses recognised in the year				
Arising from cash settled share based payment transactions	11,326	-	-	-

The share-based payment expense relates to 11,326 B Ordinary shares with a value of £11,326 issued to an employee who would have become a member of Mitchell Charlesworth LLP around the date of completion had it not been for the sale of the business to MC Topco Ltd.

Whilst they are deemed to have constituted a share-based payment, this was not the result of the issue of or exercising of share options, but was an ad hoc decision to issue them.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

22 Share capital

Group and company	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	216,119	1	216,119	1

On 15 June 2022 the company issued 216,118 Ordinary shares of £1 each for a total consideration of £12,081,572.

Subsequent to the reporting date the company issued 2,183 A1 Ordinary shares of £0.01 each for a total consideration of £29,252.20.

The A1 Ordinary shares do not have any votings rights and rank behind the Ordinary shares of £1 each in respect of capital distributions in the event the proceeds do not meet the required valuation. In all other respects the A1 Ordinary shares of £0.01 each and Ordinary shares of £1 each rank pari passu.

23 Acquisition of a business

On 15 June 2022 the group acquired 77 percent of the issued capital of MC TopCo Limited.

Net assets acquired	Book Value £	Adjustments £	Fair Value £
Property, plant and equipment	176,103	-	176,103
Trade and other receivables	3,643,023	-	3,643,023
Cash and cash equivalents	1,392,139	-	1,392,139
Borrowings	(3,763,200)	-	(3,763,200)
Trade and other payables	(1,549,783)	-	(1,549,783)
Tax liabilities	(31,656)	-	(31,656)
Total identifiable net assets	(133,374)	-	(133,374)
Non-controlling interests			(1,424,362)
Goodwill			6,084,020
Total consideration			4,526,284
The consideration was satisfied by:			£
Cash settled by parent group			4,526,284

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

23 Acquisition of a business

(Continued)

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	10,988,576
Profit after tax	667,372

On 15 June 2022 the group acquired 88 percent of the issued capital of Galloways Accounting Holdings Limited.

Net assets acquired	Book Value £	Adjustments £	Fair Value £
Property, plant and equipment	916,905	-	916,905
Trade and other receivables	4,558,329	-	4,558,329
Cash and cash equivalents	323,305	-	323,305
Borrowings	(3,493,260)	-	(3,493,260)
Trade and other payables	(4,260,422)	-	(4,260,422)
Tax liabilities	(76,772)	-	(76,772)
Provisions	(21,000)	-	(21,000)
Deferred tax	(104,014)	-	(104,014)
Total identifiable net assets	(2,156,929)	-	(2,156,929)
Non-controlling interests			261,746
Goodwill			13,976,755
Total consideration			12,081,572

The consideration was satisfied by: £

Share for share exchange 12,081,572

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	10,975,967
Profit after tax	534,059

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

23 Acquisition of a business

(Continued)

On 10 May 2022, Galloways Accounting Holdings Limited acquired the trade and assets of Cardens Accountants LLP. Consideration totaling £3,437,289 was satisfied by cash and deferred cash payments. The net liabilities attributable to the group on acquisition totaled £12,423, therefore resulting in goodwill of £3,449,712.

On 5 August 2022, MC Topco Limited acquired 100 percent of the issued share capital of BWM Accountants Limited. Consideration totaling £566,489 was satisfied by the issuing of loan notes and deferred cash payments. The net assets attributable to the group on acquisition totaled £506,332, therefore resulting in goodwill of £60,157. Included in the net assets acquired on acquisition was goodwill of £857,400.

On 31 January 2023, MC Topco Limited acquired the trade and assets of Whitnalls. Consideration totaling £1,600,000 was satisfied by the issuing of loan notes, cash and deferred cash payments. The net assets attributable to the group on acquisition totaled £194,836, therefore resulting in goodwill of £1,405,164.

24 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under operating leases, which fall due as follows:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	598,391	-	-	-
Between two and five years	1,497,837	-	-	-
In over five years	889,763	-	-	-
	<u>2,985,991</u>	<u>-</u>	<u>-</u>	<u>-</u>

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>419,346</u>	<u>-</u>

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

25 Related party transactions

(Continued)

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales 2023 £	Sales 2022 £
Group		
Other related parties	88,468	-

Included within creditors is an amount due to the parent group amounting to £5,800,201 (2022: £nil). The balance is interest free, unsecured and repayable on demand.

The following amounts were outstanding at the reporting end date:

	2023 Balance £	2022 Balance £
Amounts due from related parties		
Group		
Other related parties	74,979	-

Group

During the year there were transactions between fellow subsidiary undertakings which have been eliminated on consolidation, including turnover and other income, and purchases of £8,339,090 (2022: £nil). At the reporting period there were balances due between fellow subsidiary undertakings which have been eliminated on consolidation, including amounts receivable and amounts payable of £4,159,275 (2022: £nil).

26 Controlling party

The immediate parent undertaking of the group is Cow Corner 1 LP. The ultimate controlling party is M J Rourke.

Cow Corner Accounting 1 Limited

Notes to the Group Financial Statements (Continued)

For the year ended 31 March 2023

27 Cash generated from/(absorbed by) group operations

	2023 £	2022 £
Profit for the year after tax	552,465	-
Adjustments for:		
Taxation charged	664,682	-
Finance costs	584,270	-
Investment income	(1,660)	-
Gain on disposal of tangible fixed assets	(191)	-
Gain on disposal of intangible assets	(97,000)	-
Amortisation and impairment of intangible assets	1,732,446	-
Depreciation and impairment of tangible fixed assets	249,346	-
Increase in provisions	15,000	-
Movements in working capital:		
Increase in debtors	(2,909,466)	-
Increase in creditors	3,020,481	-
Cash generated from/(absorbed by) operations	3,810,373	-

28 Analysis of changes in net debt - group

	1 April 2022 £	Cash flows £	Acquisitions and disposals £	31 March 2023 £
Cash at bank and in hand	-	1,984,206	1,715,444	3,699,650
Borrowings excluding overdrafts	-	(1,365,304)	(5,499,173)	(6,864,477)
	-	618,902	(3,783,729)	(3,164,827)