

MATTHEWS LEGAL LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

MATTHEWS LEGAL LIMITED

COMPANY INFORMATION

Directors	P J Baxter H G Fox P A H Matthews P M Murray N J Da Prato
Registered number	SC497784
Registered office	Bank of Scotland Buildings 37 Albert Street Newton Stewart DG8 6EG
Accountants	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2019

		2019 £	2018 £
Fixed assets			
Tangible assets	4	<u>21,145</u>	<u>14,755</u>
		21,145	14,755
Current assets			
Debtors: amounts falling due within one year	5	2,315,715	1,416,786
Cash at bank and in hand		<u>235,233</u>	<u>210,859</u>
		2,550,948	1,627,645
Creditors: amounts falling due within one year	6	<u>(2,252,724)</u>	<u>(1,423,283)</u>
Net current assets		298,224	204,362
Total assets less current liabilities		319,369	219,117
Provisions for liabilities			
Deferred tax		<u>(3,229)</u>	<u>(1,842)</u>
		(3,229)	(1,842)
Net assets		316,140	217,275
Capital and reserves			
Called up share capital	7	100	100
Profit and loss account		<u>316,040</u>	<u>217,175</u>
		316,140	217,275

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2019

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 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 by:

P J Baxter
Director

Date: 14 January 2020

The notes on pages 3 to 6 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

1. General information

Matthews Legal Limited is limited by shares and incorporated in Scotland with registration number SC497784. The address of the registered office is Bank of Scotland Buildings, 37 Albert Street, Newton Stewart, United Kingdom, DG8 6EG.

The financial statements are presented in Sterling which is the functional currency of the company and rounded to the nearest £.

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 Turnover

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

Rendering of services

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

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

2.3 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 the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019**

2. Accounting policies (continued)

2.4 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

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

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

2.5 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, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	-	25%	reducing balance
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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 the Statement of income and retained earnings.

2.6 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

2. Accounting policies (continued)

2.7 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 non-puttable ordinary shares.

2.8 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 directors, during the year was 29 (2018 - 30).

4. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 June 2018	34,978
Additions	13,438
At 31 May 2019	<u>48,416</u>
Depreciation	
At 1 June 2018	20,223
Charge for the year on owned assets	7,048
At 31 May 2019	<u>27,271</u>
Net book value	
At 31 May 2019	<u>21,145</u>
<i>At 31 May 2018</i>	<u>14,755</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2019

5. Debtors

	2019 £	2018 £
Trade debtors	89,016	120,534
Other debtors	2,082,315	1,168,109
Prepayments and accrued income	25,364	23,393
Amounts recoverable on long term contracts	119,020	104,750
	<u>2,315,715</u>	<u>1,416,786</u>

6. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	94,906	112,502
Other creditors	2,115,272	1,266,039
Accruals and deferred income	42,546	44,742
	<u>2,252,724</u>	<u>1,423,283</u>

7. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2018 - 100 Ordinary shares of £1.00 each	-	100
25 A Ordinary Shares shares of £1.00 each	25	-
25 B Ordinary Shares shares of £1.00 each	25	-
25 C Ordinary Shares shares of £1.00 each	25	-
25 D Ordinary Shares shares of £1.00 each	25	-
	<u>100</u>	<u>100</u>

8. Commitments under operating leases

At 31 May 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	11,380	9,677
Later than 1 year and not later than 5 years	11,263	14,367
	<u>22,643</u>	<u>24,044</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.