

**MATTHEWS LEGAL LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MAY 2023**

**MATTHEWS LEGAL LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	P J Baxter (resigned 30 September 2022) H G Fox P A H Matthews N J Da Prato A J MacCaig (appointed 1 June 2022)
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<b>Registered number</b>	SC497784
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<b>Registered office</b>	Bank of Scotland Buildings 37 Albert Street Newton Stewart DG8 6EG
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<b>Accountants</b>	EQ Accountants LLP Chartered Accountants Pentland House Saltire Centre Glenrothes Fife KY6 2AH
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STATEMENT OF FINANCIAL POSITION  
AS AT 31 MAY 2023

		2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	4	18,961	9,764
		<u>18,961</u>	<u>9,764</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	3,083,390	4,388,946
Cash at bank and in hand		558,900	854,137
		<u>3,642,290</u>	<u>5,243,083</u>
Creditors: amounts falling due within one year	6	(2,927,286)	(4,277,583)
		<u>715,004</u>	<u>965,500</u>
<b>Net current assets</b>			
		<u>715,004</u>	<u>965,500</u>
<b>Total assets less current liabilities</b>		<u>733,965</u>	<u>975,264</u>
<b>Provisions for liabilities</b>			
Deferred tax		(4,272)	(1,421)
		<u>(4,272)</u>	<u>(1,421)</u>
<b>Net assets</b>		<u><u>729,693</u></u>	<u><u>973,843</u></u>
<b>Capital and reserves</b>			
Called up share capital	7	50	100
Capital redemption reserve		50	-
Profit and loss account		729,593	973,743
		<u><u>729,693</u></u>	<u><u>973,843</u></u>

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 MAY 2023**

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

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

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

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

The Company has opted not to file the statement of comprehensive income 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 A H Matthews  
**Director**

H G Fox  
**Director**

Date: 4 January 2024

The notes on pages 3 to 7 form part of these financial statements.

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

**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 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

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

**2. Accounting policies (continued)**

**2.4 Pensions**

**Defined contribution pension plan**

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

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

**2.5 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current 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 reporting 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.

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

**2. Accounting policies (continued)**

**2.6 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 profit or loss.

**2.7 Holiday pay accrual**

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

**2.8 Financial instruments**

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Company's Statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

**2.9 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 28 (2022 - 29).

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

**4. Tangible fixed assets**

	Office equipment £
<b>Cost or valuation</b>	
At 1 June 2022	49,492
Additions	14,604
At 31 May 2023	<u>64,096</u>
<b>Depreciation</b>	
At 1 June 2022	39,728
Charge for the year on owned assets	5,407
At 31 May 2023	<u>45,135</u>
<b>Net book value</b>	
At 31 May 2023	<u>18,961</u>
<b>At 31 May 2022</b>	<u>9,764</u>

**5. Debtors**

	2023 £	2022 £
Trade debtors	99,784	86,987
Other debtors	2,788,151	4,127,993
Prepayments and accrued income	31,697	27,666
Amounts recoverable on long term contracts	163,758	146,300
	<u>3,083,390</u>	<u>4,388,946</u>

**6. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Other taxation and social security	143,901	149,799
Other creditors	2,725,701	4,068,312
Accruals and deferred income	57,684	59,472
	<u>2,927,286</u>	<u>4,277,583</u>



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

7. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
Nil (2022 - 25) A Ordinary shares of £1.00 each	-	25
25 (2022 - 25) B Ordinary shares of £1.00 each	25	25
Nil (2022 - 25) C Ordinary shares of £1.00 each	-	25
25 (2022 - 25) D Ordinary shares of £1.00 each	25	25
	<u>50</u>	<u>100</u>

On 31 October 2022, the company repurchased 25 Ordinary A shares and 25 Ordinary C shares of £1 each for a consideration of £569,146.

8. Commitments under operating leases

At 31 May 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	7,864	9,408
Later than 1 year and not later than 5 years	12,127	25,787
	<u>19,991</u>	<u>35,195</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.