

REGISTERED NUMBER: 08190708 (England and Wales)

Strategic Report, Report of the Directors and

Financial Statements

for the Year Ended 31 December 2015

for

Proximo Legal Services Limited



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for the Year Ended 31 December 2015**

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Proximo Legal Services Limited

**Company Information
for the Year Ended 31 December 2015**

DIRECTORS:

C K Bryan
Mrs E M Chadwick
Miss G Von Doneck
I J Bates
C Clavering

REGISTERED OFFICE:

Park House
Chantry Court
Sovereign Way
Chester
Cheshire
CH1 4QN

REGISTERED NUMBER:

08190708 (England and Wales)

AUDITORS:

Mitten Clarke Limited
The Glades
Festival Way
Stoke on Trent
Staffordshire
ST1 5SQ

**Strategic Report
for the Year Ended 31 December 2015**

The directors present their strategic report for the year ended 31 December 2015.

REVIEW OF BUSINESS

Development and performance:

The director considers that the company has performed as expected given the economic climate.

Financial position:

The company's financial position is shown in the financial statements.

Risks and uncertainties:

The company manages the risks and uncertainties it faces by employing a system of internal controls and, where available, suitable insurance contracts.

KEY PERFORMANCE INDICATORS

	2015	2014
	%	%
Return on capital employed (ROCE)	(144.4)	43.8
Gross margin	51.8	42.3
Annualised sales growth	80.7	7.9
Net profit margin	(13.8)	5.2

Return on capital employed is operating profit as a percentage of equity shareholders' funds.

Gross margin is gross profit as a percentage of turnover.

Annualised sales growth is the annual increase in revenue as a percentage of revenue from the prior year.

Net profit margin is profit after tax as a percentage of turnover.

ON BEHALF OF THE BOARD:



.....
Mrs E M Chadwick - Director

Date: 29/9/16

**Report of the Directors
for the Year Ended 31 December 2015**

The directors present their report with the financial statements of the company for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of legal services.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2015.

DIRECTORS

The directors who have held office during the period from 1 January 2015 to the date of this report are as follows:

C K Bryan - appointed 1 January 2015
Mrs S Jervis - resigned 1 January 2015
C J Bird - resigned 1 January 2015
Mrs E M Chadwick - appointed 1 January 2015
Miss G Von Doneck - appointed 1 January 2015
I J Bates - appointed 1 January 2015
C Clavering - appointed 1 February 2015

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Report of the Directors
for the Year Ended 31 December 2015

AUDITORS

The auditors, Mitten Clarke Limited, will be proposed for re-appointment in accordance with Section 485 Companies Act 2006.

ON BEHALF OF THE BOARD:


.....

Mrs E M Chadwick - Director

Date: 29/9/16

Report of the Independent Auditors to the Members of Proximo Legal Services Limited

We have audited the financial statements of Proximo Legal Services Limited for the year ended 31 December 2015 on pages seven to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its loss 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Proximo Legal Services Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Adam Clarke BA FCA (Senior Statutory Auditor)
for and on behalf of Mitten Clarke Limited
The Glades
Festival Way
Stoke on Trent
Staffordshire
ST1 5SQ

Date: 29 September 2016

**Income Statement
for the Year Ended 31 December 2015**

	Notes	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
TURNOVER		3,408,495	943,360
Cost of sales		(1,644,450)	(544,195)
GROSS PROFIT		1,764,045	399,165
Administrative expenses		(2,242,748)	(356,942)
		(478,703)	42,223
Other operating income		-	18,965
OPERATING (LOSS)/PROFIT	3	(478,703)	61,188
Interest payable and similar charges	4	(7)	-
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(478,710)	61,188
Tax on (loss)/profit on ordinary activities	5	7,736	(12,352)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(470,974)	48,836

The notes form part of these financial statements

Other Comprehensive Income
for the Year Ended 31 December 2015

	Notes	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
(LOSS)/PROFIT FOR THE YEAR		(470,974)	48,836
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(470,974)</u>	<u>48,836</u>

The notes form part of these financial statements

Balance Sheet
31 December 2015

	Notes	2015 £	2014 £
FIXED ASSETS			
Intangible assets	6	1,883,333	2,825,000
Tangible assets	7	39,740	49,534
Investments	8	-	100
		<u>1,923,073</u>	<u>2,874,634</u>
CURRENT ASSETS			
Debtors	9	1,176,583	1,148,831
Cash at bank and in hand	10	536,793	510,067
		<u>1,713,376</u>	<u>1,658,898</u>
CREDITORS			
Amounts falling due within one year	11	(3,967,858)	(4,386,467)
NET CURRENT LIABILITIES		<u>(2,254,482)</u>	<u>(2,727,569)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		(331,409)	147,065
PROVISIONS FOR LIABILITIES	12	-	(7,500)
NET (LIABILITIES)/ASSETS		<u>(331,409)</u>	<u>139,565</u>
CAPITAL AND RESERVES			
Called up share capital	13	100	100
Retained earnings	14	(331,509)	139,465
SHAREHOLDERS' FUNDS		<u>(331,409)</u>	<u>139,565</u>

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



.....
Mrs E M Chadwick - Director

**Statement of Changes in Equity
for the Year Ended 31 December 2015**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2014	100	90,629	90,729
Changes in equity			
Total comprehensive income	-	48,836	48,836
Balance at 31 December 2014	100	139,465	139,565
Changes in equity			
Total comprehensive income	-	(470,974)	(470,974)
Balance at 31 December 2015	100	(331,509)	(331,409)

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2015**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the assumption that the company is able to carry on business as a going concern, which the directors consider appropriate having regard to the company's current and expected performance.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Turnover

Turnover is stated net of VAT. Turnover from the supply of services represents the value of services provided, to the extent that there is a right to consideration, and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as Deferred Income and included as part of Creditors due within one year.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of three years.

Tangible fixed assets

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

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 33.33% on cost

Pension costs and other post-retirement benefits

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

Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment.

Client money

Money held on behalf of clients in designated client bank accounts is offset against the corresponding amount due to clients.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

2. STAFF COSTS

	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
Wages and salaries	1,721,765	544,195
Social security costs	19,463	-
Other pension costs	15,012	2,491
	<u>1,756,240</u>	<u>546,686</u>

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

	Year Ended 31.12.15	Period 1.7.14 to 31.12.14
Directors	4	-
Legal, sales & office	79	50
	<u>83</u>	<u>50</u>

3. OPERATING (LOSS)/PROFIT

The operating loss (2014 - operating profit) is stated after charging:

	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
Depreciation - owned assets	39,043	10,188
Goodwill amortisation	941,667	-
Auditors' remuneration	7,700	3,850
	<u>988,410</u>	<u>14,038</u>
Directors' remuneration	163,933	-
Directors' pension contributions to money purchase schemes	5,563	-
	<u>169,496</u>	<u>-</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
Interest on overdue tax	7	-
	<u>7</u>	<u>-</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

5. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss on ordinary activities for the year was as follows:

	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
Current tax:		
UK corporation tax	-	13,852
Under/(over) provision of corporation tax	(236)	-
Total current tax	(236)	13,852
Deferred tax	(7,500)	(1,500)
Tax on (loss)/profit on ordinary activities	(7,736)	12,352

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Year Ended 31.12.15 £	Period 1.7.14 to 31.12.14 £
(Loss)/profit on ordinary activities before tax	(478,710)	61,188
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 21%)	(95,742)	12,849
Effects of:		
Adjustments to tax charge in respect of previous periods	(236)	-
Losses surrendered to group	90,976	-
Marginal rate relief	-	(213)
Other timing differences	(2,734)	(284)
Total tax (credit)/charge	(7,736)	12,352

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

6. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2015	
and 31 December 2015	2,825,000
AMORTISATION	
Amortisation for year	941,667
At 31 December 2015	941,667
NET BOOK VALUE	
At 31 December 2015	1,883,333
At 31 December 2014	2,825,000

On 11 October 2014 the company entered into an agreement to purchase the business and assets of Integrity Legal LLP with effect from 31 December 2014.

7. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2015	7,750	77,181	84,931
Additions	153	29,096	29,249
At 31 December 2015	7,903	106,277	114,180
DEPRECIATION			
At 1 January 2015	313	35,084	35,397
Charge for year	3,445	35,598	39,043
At 31 December 2015	3,758	70,682	74,440
NET BOOK VALUE			
At 31 December 2015	4,145	35,595	39,740
At 31 December 2014	7,437	42,097	49,534

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015**

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2015	100
Disposals	(100)
At 31 December 2015	-
NET BOOK VALUE	
At 31 December 2015	-
At 31 December 2014	100

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	2,843	75,276
Amounts owed by group undertakings	219,624	161,722
Amounts recoverable on contract	837,350	895,350
Other debtors	116,761	1,842
Directors' current accounts	5	5
Prepayments and accrued income	-	14,636
	1,176,583	1,148,831

10. CASH AT BANK AND IN HAND

Cash at bank and in hand includes £158,336 (2014 - £144,210) held in client accounts and represents monies received from insurers not yet paid over to clients.
This amount is matched by the client account balance in creditors.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	39,771	32,964
Client account	158,336	144,210
Amounts owed to group undertakings	3,330,453	3,521,606
Tax	-	31,356
Social security and other taxes	40,757	23,455
VAT	137,789	118,117
Other creditors	260,752	510,752
Accruals and deferred income	-	4,007
	3,967,858	4,386,467

Notes to the Financial Statements - continued
for the Year Ended 31 December 2015

12. PROVISIONS FOR LIABILITIES

	2015 £	2014 £
Deferred tax	-	7,500
		Deferred tax £
Balance at 1 January 2015		7,500
Credit to Income Statement during year		(7,500)
Balance at 31 December 2015		-

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2015	2014
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	100	100

14. RESERVES

	Retained earnings £
At 1 January 2015	139,465
Deficit for the year	(470,974)
At 31 December 2015	(331,509)

15. ULTIMATE PARENT COMPANY

The ultimate parent company is Proximo Holdings Limited which owns, either directly or indirectly, 100% of the ordinary share capital. Proximo Holdings Limited is incorporated in England.

Copies of the group accounts of Proximo Holdings Limited are available from Park House, Chantry Court, Sovereign Way, Chester, Cheshire, CH1 4QN.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2015**

16. RELATED PARTY DISCLOSURES

Consultancy fees

During the year, C J Bird, the ultimate controlling party of Proximo Legal Services Limited and director of Proximo Holdings Limited, the ultimate parent company, invoiced consultancy fees of £48,000 (2014: £nil) to the company.

No amounts were outstanding at the year end.

Property

Park House, the premises from which Proximo Legal Services Limited operate, is owned by the directors pension scheme which involves I J Bates, G Von Doneck and C J Bird, the ultimate controlling party of Proximo Legal Services Limited. During the period rental costs for Park House were £92,082 (31 December 2014: £nil).

No amounts were outstanding at the year end.

17. ULTIMATE CONTROLLING PARTY

The ultimate controlling party for the year ended 31 December 2015 was Mr C J Bird as a result of controlling 100% of the issued share capital of the company by virtue of controlling 100% of the ultimate parent company.

Reconciliation of Equity
1 July 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Tangible assets		46,016	-	46,016
Investments		50	-	50
		<u>46,066</u>	<u>-</u>	<u>46,066</u>
CURRENT ASSETS				
Debtors		119,467	-	119,467
Cash at bank and in hand		33,822	-	33,822
		<u>153,289</u>	<u>-</u>	<u>153,289</u>
CREDITORS				
Amounts falling due within one year		(99,626)	-	(99,626)
NET CURRENT ASSETS		<u>53,663</u>	<u>-</u>	<u>53,663</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		99,729	-	99,729
PROVISIONS FOR LIABILITIES		(9,000)	-	(9,000)
NET ASSETS		<u>90,729</u>	<u>-</u>	<u>90,729</u>
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Retained earnings		90,629	-	90,629
SHAREHOLDERS' FUNDS		<u>90,729</u>	<u>-</u>	<u>90,729</u>

The notes form part of these financial statements

Reconciliation of Equity - continued
31 December 2014

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
FIXED ASSETS				
Intangible assets		2,825,000	-	2,825,000
Tangible assets		49,534	-	49,534
Investments		100	-	100
		<u>2,874,634</u>	<u>-</u>	<u>2,874,634</u>
CURRENT ASSETS				
Debtors		1,148,831	-	1,148,831
Cash at bank and in hand		510,067	-	510,067
		<u>1,658,898</u>	<u>-</u>	<u>1,658,898</u>
CREDITORS				
Amounts falling due within one year		(4,386,467)	-	(4,386,467)
NET CURRENT LIABILITIES		<u>(2,727,569)</u>	<u>-</u>	<u>(2,727,569)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		147,065	-	147,065
PROVISIONS FOR LIABILITIES		<u>(7,500)</u>	<u>-</u>	<u>(7,500)</u>
NET ASSETS		<u>139,565</u>	<u>-</u>	<u>139,565</u>
CAPITAL AND RESERVES				
Called up share capital		100	-	100
Retained earnings		139,465	-	139,465
SHAREHOLDERS' FUNDS		<u>139,565</u>	<u>-</u>	<u>139,565</u>

The notes form part of these financial statements

**Reconciliation of Profit
for the Period 1 July 2014 to 31 December 2014**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
TURNOVER	943,360	-	943,360
Cost of sales	(544,195)	-	(544,195)
GROSS PROFIT	399,165	-	399,165
Administrative expenses	(356,942)	-	(356,942)
Other operating income	18,965	-	18,965
OPERATING PROFIT	61,188	-	61,188
and			
PROFIT ON ORDINARY ACTIVITIES			
BEFORE TAXATION	61,188	-	61,188
Tax on profit on ordinary activities	(12,352)	-	(12,352)
PROFIT FOR THE FINANCIAL YEAR	<u>48,836</u>	<u>-</u>	<u>48,836</u>