

REGISTERED NUMBER: 08190708 (England and Wales)

Financial Statements
for the Year Ended 31 December 2016
for
Proximo Legal Services Limited

THURSDAY



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COMPANIES HOUSE

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for the Year Ended 31 December 2016**

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Proximo Legal Services Limited
Company Information
for the Year Ended 31 December 2016

DIRECTORS:	Mrs E M Chadwick I J Bates C K Bryan
REGISTERED OFFICE:	Park House Chantry Court Sovereign Way Chester Cheshire CH1 4QN
REGISTERED NUMBER:	08190708 (England and Wales)
AUDITORS:	Mitten Clarke Audit Limited Statutory Auditors The Glades Festival Way Stoke on Trent Staffordshire ST1 5SQ

Balance Sheet
31 December 2016

		2016		2015 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	5		941,666		1,883,333
Tangible assets	6		61,151		39,738
			<u>1,002,817</u>		<u>1,923,071</u>
CURRENT ASSETS					
Debtors	7	313,510		222,472	
Cash at bank and in hand	8	712,857		536,793	
		<u>1,026,367</u>		<u>759,265</u>	
CREDITORS					
Amounts falling due within one year	9	3,324,485		3,851,096	
NET CURRENT LIABILITIES			<u>(2,298,118)</u>		<u>(3,091,831)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(1,295,301)</u>		<u>(1,168,760)</u>
CREDITORS					
Amounts falling due after more than one year	10		95,265		-
NET LIABILITIES			<u>(1,390,566)</u>		<u>(1,168,760)</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>(1,390,666)</u>		<u>(1,168,860)</u>
SHAREHOLDERS' FUNDS			<u>(1,390,566)</u>		<u>(1,168,760)</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 25 September 2017 and were signed on its behalf by:



.....
Mrs E M Chadwick - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2016**

1. STATUTORY INFORMATION

Proximo Legal Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements cover Proximo Legal Services Limited as an individual entity, have been prepared under the historical cost convention and are presented in Pounds Sterling (£) being the functional currency.

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.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Significant judgements and estimates

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

The directors consider that the key estimates and assumptions used in preparing the financial statements are as follows:

- Valuation of work in progress.
- Depreciation rates and estimated economic useful life of assets.
- Amortisation policy and estimated useful life of goodwill.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

3. ACCOUNTING POLICIES - continued

Turnover

The company has contracts that are invoiced with a set fee per case dealt with. This turnover is stated net of VAT and discounts. Turnover from the supply of these services represents the value of services provided under contracts, to the extent that there is a right to consideration, and is recorded at the value of the consideration due. Where these contracts have only been partially completed at the balance sheet date turnover represents the value of these services 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.

Many of the company's contracts are on a no win, no fee basis. Income on these contracts is only recorded when the case is decided and an award has been made. No income is recognised on partially completed contracts.

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.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

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

- Office equipment - 25% on reducing balance
- Computer equipment - 33.33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

3. ACCOUNTING POLICIES - continued

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.

Client money

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

4. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 108 (2015 - 83).

5. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2016	
and 31 December 2016	2,825,000
AMORTISATION	
At 1 January 2016	941,667
Charge for year	941,667
At 31 December 2016	1,883,334
NET BOOK VALUE	
At 31 December 2016	941,666
At 31 December 2015	1,883,333

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

6. TANGIBLE FIXED ASSETS

	Office equipment £	Computer equipment £	Totals £
COST			
At 1 January 2016	7,903	106,276	114,179
Additions	-	69,564	69,564
Disposals	-	(71,939)	(71,939)
At 31 December 2016	7,903	103,901	111,804
DEPRECIATION			
At 1 January 2016	3,758	70,683	74,441
Charge for year	2,703	44,367	47,070
Eliminated on disposal	-	(70,858)	(70,858)
At 31 December 2016	6,461	44,192	50,653
NET BOOK VALUE			
At 31 December 2016	1,442	59,709	61,151
At 31 December 2015	4,145	35,593	39,738

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015 as restated
	£	£
Trade debtors	1,301	2,843
Amounts owed by group undertakings	311,662	219,624
Other debtors	547	5
	313,510	222,472

8. CASH AT BANK AND IN HAND

Cash at bank and in hand includes £319,199 (2015 - £158,336) held in client accounts and represents monies received from clients but not yet paid over to insurance companies.

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015 as restated
	£	£
Trade creditors	200,492	81,345
Amounts owed to group undertakings	2,803,695	3,330,453
Taxation and social security	221,614	178,546
Other creditors	98,684	260,752
	3,324,485	3,851,096

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016	2015 as restated
	£	£
Other creditors	<u>95,265</u>	<u>-</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Adam Clarke BA FCA (Senior Statutory Auditor)
for and on behalf of Mitten Clarke Audit Limited

12. RELATED PARTY DISCLOSURES

Consultancy fees

During the year, a director and shareholder of the ultimate parent company, Proximo Holdings Limited, invoiced consultancy fees to the company of £48,000 (2015 - £48,000).

No amounts were outstanding at the year end (2015 - £nil).

Property

During the year, rent and associated costs were invoiced to the company from a directors pension scheme for the use of the property. Costs for the year totalled £85,500 (2015 - £92,082).

No amounts were outstanding at the year end (2015 - £nil).

Loans from related parties

During the year ended 31st December 2016, loans were made to the company from two related parties. One of the related parties is a director of the company and the other is a director and shareholder of the ultimate parent company, Proximo Holdings Limited.

Both of the related parties loaned the company amounts of £131,904 (2015 - £nil), totalling loans from related parties of £263,807 (2015 - £nil). Repayments of £80,608 (2015 - £nil) were made to the related parties during the year by Proximo Legal Services Limited, leaving amounts outstanding at the year end to the related parties of £91,600 (2015 - £nil) each, totalling £183,199 due to related parties (2015 - £nil).

Interest is being charged on the loans at a rate of 30%.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party for the period ended 31 December 2016 was Mr C J Bird as a result of controlling 100% of the ultimate parent company.

14. 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.