

Registered number: 08002546

Lawyers on Demand Limited

Annual report and financial statements

For the year ended 30 April 2018



Lawyers on Demand Limited

Company Information

Directors	S J Harper A T Hartley
Registered number	08002546
Registered office	St Magnus House 3 Lower Thames Street London England EC3R 6HE
Independent auditors	Ernst & Young LLP 1 More London Place London SE1 2AF

Lawyers on Demand Limited

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Lawyers on Demand Limited

**Strategic report
For the year ended 30 April 2018**

The Directors present their strategic report and the financial statements for the year ended 30 April 2018.

Results

The results of the Company for the year ended 30 April 2018 are set out in the Statement of comprehensive income on page 8 and show a profit for the year of £2,069,000 (2017 – profit of £2,049,000).

Business review

The Directors consider that the Company's level of business and the year-end financial position was satisfactory, and that the present level of revenue activity will be sustained for the foreseeable future.

The Company has continued to operate as a supplier of freelance lawyers using a variety of alternative sourcing models including on site secondments and lawyers working remotely (either individually or as part of larger teams). The Company's client base comprises corporates, financial institutions and law firms throughout the United Kingdom and this has continued to expand during the year.

The Directors believe that preparing the accounts on the going concern basis is appropriate. The Company has adequate cash resources and facilities to continue in operational existence for the foreseeable future.

The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

Principal risks and uncertainties

The principal business risks and uncertainties of the Company revolve around the future sales pipeline and working capital management. Business activity levels nevertheless remain strong and pipeline management is a key focus of the Board. Rigorous monthly billing to clients also ensures cash collections are steady and optimal, thus minimising working capital needs.

Financial key performance indicators

The Key Performance Indicators used to determine the progress and performance of the business are revenue and operating profit.

Turnover for the year increased by 4.5% to £17,666,000 due to both an expanded client base and improved mix of sales. Operating profit decreased from £2,472,000 in 2017 to £2,471,000 in the current year.

This report was approved by the board on 29 JANUARY 2019 and signed on its behalf.



A T Hartley
Director

Lawyers on Demand Limited

**Directors' report
For the year ended 30 April 2018**

The Directors present their report and the financial statements for the year ended 30 April 2018.

Principal activity

The principal activity of the Company is the provision of flexible legal resourcing utilising a variety of alternative models including secondments, remote lawyers and virtual legal teams.

Financial risk management

As highlighted in the strategic report the principle financial risk faced by the Company relates to its ability to finance working capital needs. Robust management of work in progress and debtors is therefore of primary importance to the Board and is monitored through regular KPI and exception reporting.

Governance

The Company's shareholders have delegated management responsibilities to a Board comprising of nominated executive and non-executive Directors drawn from senior employees of the firm and members of New Law Enterprises LLP, its ultimate controlling party.

Results and dividends

The profit for the year, after taxation, amounted to £2,069,000 (2017 - £2,049,000).

The Company declared a Board approved dividend of £Nil (2017 - £900,000).

Directors

The Directors who served during the year were:

J M Brenner (resigned 25 May 2018)
N Eisenberg (resigned 25 May 2018)
G N Griffin (resigned 25 May 2018)
S J Harper
A T Hartley
D J Rowe (resigned 25 May 2018)

Lawyers on Demand Limited

Directors' report (continued) For the year ended 30 April 2018

Going concern

The Directors are confident that the Company will be able to continue to trade and has the resources available to meet its liabilities as and when they fall due for the foreseeable future. The financial statements have therefore been prepared on a going concern basis.

Post balance sheet events

On 25 May 2018 the ultimate parent company became Bowmark Capital LLP.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic report, the Directors' 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 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'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 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 to 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.

Employees

The Company communicates its performance and employee related issues with all employees through regular staff briefings. Subject to practical and commercial considerations, employees are consulted and involved in decisions that affect their employment or future prospects.

Future developments

The directors will continue with the same management policies which have resulted in the Company's substantial growth in recent years. They believe the next year will show further growth in activity from continuing operations.

Lawyers on Demand Limited

Directors' report (continued)
For the year ended 30 April 2018

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Lawyers on Demand Limited

Directors' report (continued)
For the year ended 30 April 2018

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 JANUARY 2019 and signed on its behalf.



A T Hartley
Director

Opinion

We have audited the financial statements of Lawyers on Demand Limited for the year ended 30 April 2018, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 25. 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 FRS 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 company's affairs as at 30 April 2018 and of its 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 below. We are independent of the 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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;
- 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 light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Directors' Report.

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.

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 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 company or to cease operations, or have no realistic alternative but to do so.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Lawyers on Demand Limited

Independent auditors' report to the shareholders of Lawyers on Demand Limited (continued)

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 so that we might state to the company's members those matters we are required to state to them in an auditor's report 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.

Ernst + Young LLP

Louise Pennell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

30 January 2019

Lawyers on Demand Limited

**Statement of comprehensive income
For the year ended 30 April 2018**

	Note	2018 £000	2017 £000
Turnover	4	17,666	16,907
Cost of sales		(12,000)	(11,515)
Gross profit		5,666	5,392
Administrative expenses		(3,195)	(3,020)
Other operating income	5	-	100
Operating profit	6	2,471	2,472
Interest receivable and similar income	10	7	10
Interest payable and expenses	11	-	(11)
Profit before tax		2,478	2,471
Tax on profit	12	(409)	(422)
Profit for the financial year		2,069	2,049

There was no other comprehensive income for 2018 (2017: £NIL)

The notes on pages 12 to 28 form part of these financial statements.

Lawyers on Demand Limited
Registered number:08002546

Statement of financial position
As at 30 April 2018

	Note	2018 £000	2017 £000
Fixed assets			
Intangible assets	14	64	43
Tangible assets	15	93	99
		<u>157</u>	<u>142</u>
Current assets			
Debtors	16	6,691	5,054
Cash at bank and in hand	17	1,641	1,167
		<u>8,332</u>	<u>6,221</u>
Creditors: amounts falling due within one year	18	(3,093)	(3,036)
		<u>5,239</u>	<u>3,185</u>
Net current assets		<u>5,239</u>	<u>3,185</u>
Total assets less current liabilities		<u>5,396</u>	<u>3,327</u>
Net assets		<u><u>5,396</u></u>	<u><u>3,327</u></u>
Capital and reserves			
Called up share capital	21	11	11
Share premium account	22	1,256	1,256
Profit and loss account	22	4,129	2,060
		<u>5,396</u>	<u>3,327</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on



29 JANUARY 2019

A T Hartley
Director

The notes on pages 12 to 28 form part of these financial statements.

Lawyers on Demand Limited

**Statement of changes in equity
For the year ended 30 April 2018**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 May 2016	11	1,256	911	2,178
Comprehensive income for the year				
Profit for the year	-	-	2,049	2,049
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	2,049	2,049
Dividends: Equity capital	-	-	(900)	(900)
Total transactions with owners	-	-	(900)	(900)
At 30 April 2017	11	1,256	2,060	3,327
Comprehensive income for the year				
Profit for the year	-	-	2,069	2,069
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	2,069	2,069
Total transactions with owners	-	-	-	-
At 30 April 2018	11	1,256	4,129	5,396

The notes on pages 12 to 28 form part of these financial statements.

Notes to the financial statements
For the year ended 30 April 2018

1. General information

Lawyers on Demand Limited is a private limited Company limited by shares incorporated in England and Wales. The address of its registered office is St Magnus House, 3 Lower Thames Street, London, England, EC3R 6HE.

The principal activity of the Company is the provision of flexible legal resourcing utilising a variety of alternative models including secondments, remote lawyers and virtual legal teams.

These financial statements have been presented in Sterling, as this is the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest thousand (£000), except when otherwise indicated.

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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 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 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a) and 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Rendering of services

Revenue 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 revenue 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.

2.4 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software	-	5	years
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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.

2. Accounting policies (continued)

2.5 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold property	- 3 years
Fixtures and fittings	- 3 to 8 years
Computer equipment	- 3 years

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 comprehensive income.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

2. Accounting policies (continued)

2.8 Financial instruments (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income.

2. Accounting policies (continued)

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 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 comprehensive income 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.

2.15 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2. Accounting policies (continued)

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 income 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.

Notes to the financial statements
For the year ended 30 April 2018

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements and estimations have had the most significant effect on amounts recognised in the financial statements:

Deferred tax recognition:

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the level and the likely timing of future taxable profits. Further details on deferred tax asset recognition are disclosed in Note 12.

4. Turnover

An analysis of turnover by class of business is as follows:

	2018 £000	2017 £000
Professional fees	17,666	16,907
	<u>17,666</u>	<u>16,907</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2018 £000	2017 £000
Other operating income	-	100
	<u>-</u>	<u>100</u>

Lawyers on Demand Limited

**Notes to the financial statements
For the year ended 30 April 2018**

6. Operating profit

The operating profit is stated after charging:

	2018 £000	2017 £000
Depreciation of tangible fixed assets	40	17
Amortisation of intangible assets, including goodwill	14	1
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	22	22
Exchange differences	3	9
Defined contribution pension cost	70	68
	<u>70</u>	<u>68</u>

7. Auditors' remuneration

	2018 £000	2017 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	22	22
	<u>22</u>	<u>22</u>
Fees payable to the Company's auditor and its associates in respect of:		
All other services	7	14
	<u>7</u>	<u>14</u>
	<u>7</u>	<u>14</u>

Lawyers on Demand Limited

**Notes to the financial statements
For the year ended 30 April 2018**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2018 £000	2017 £000
Wages and salaries	2,010	1,833
Social security costs	267	213
Cost of defined contribution scheme	70	68
	<u>2,347</u>	<u>2,114</u>

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

	2018 No.	2017 No.
Director	3	3
Sales & Marketing staff	8	6
Operational & Administration	12	10
	<u>23</u>	<u>19</u>

9. Directors' remuneration

The highest paid director received remuneration (excluding pension contributions) of £395,000 (2017 - £458,000). The highest paid director did not exercise any share options within the year.

There is not a defined benefit pension scheme in place.

The aggregate Company contributions towards personal pension plans for the directors was £34,000 (2017 - £28,000).

10. Interest receivable

	2018 £000	2017 £000
Other interest receivable	7	10
	<u>7</u>	<u>10</u>

Lawyers on Demand Limited

Notes to the financial statements
For the year ended 30 April 2018

11. Interest payable and similar expenses

	2018 £000	2017 £000
Bank interest payable	-	11
	<u>-</u>	<u>11</u>

12. Taxation

	2018 £000	2017 £000
Corporation tax		
Current tax on profits for the year	414	324
Adjustments in respect of previous periods	(21)	10
	<u>393</u>	<u>334</u>
Total current tax	<u>393</u>	<u>334</u>
Deferred tax		
Origination and reversal of timing differences	17	38
Changes to tax rates	(1)	(3)
Adjustment in respect of previous period	-	53
	<u>16</u>	<u>88</u>
Total deferred tax	<u>16</u>	<u>88</u>
Taxation on profit on ordinary activities	<u>409</u>	<u>422</u>

Notes to the financial statements
For the year ended 30 April 2018

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2017 - lower than) the standard rate of corporation tax in the UK of 19% (2017 - 19.91%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before tax	2,478	2,471
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.91%)	471	492
Effects of:		
Expenses not deductible for tax purposes	11	7
Adjustments to tax rate	(2)	(3)
Adjustments to tax charge in respect of prior periods	(21)	62
Non-taxable income	-	(20)
Other tax repayable	(9)	-
Group relief	(41)	(116)
Total tax charge for the year	409	422

Factors that may affect future tax charges

The Finance (No. 2) Act 2015, substantively enacted on 26 October 2015, reduced the main rate of corporation tax from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020, whilst the Finance Act 2016, substantively enacted on 6 September 2016, included further reduction of the rate of 18% to 17% from 1 April 2020. This will reduce the Company's future tax charges accordingly.

13. Dividends

	2018 £000	2017 £000
Ordinary dividends paid	-	900
	-	900

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**Notes to the financial statements
For the year ended 30 April 2018**

14. Intangible assets

	Software £000
Cost	
At 1 May 2017	44
Additions	35
At 30 April 2018	<u>79</u>
Amortisation	
At 1 May 2017	1
Charge for the year	14
At 30 April 2018	<u>15</u>
Net book value	
At 30 April 2018	<u>64</u>
At 30 April 2017	<u>43</u>

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**Notes to the financial statements
For the year ended 30 April 2018**

15. Tangible assets

	Long-term leasehold property £000	Fixtures and fittings £000	Office equipment £000	Total £000
Cost or valuation				
At 1 May 2017	26	24	61	111
Additions	-	5	29	34
At 30 April 2018	<u>26</u>	<u>29</u>	<u>90</u>	<u>145</u>
Depreciation				
At 1 May 2017	4	4	4	12
Charge for the year on owned assets	9	3	28	40
At 30 April 2018	<u>13</u>	<u>7</u>	<u>32</u>	<u>52</u>
Net book value				
At 30 April 2018	<u>13</u>	<u>22</u>	<u>58</u>	<u>93</u>
At 30 April 2017	<u>22</u>	<u>20</u>	<u>57</u>	<u>99</u>

16. Debtors

	2018 £000	2017 £000
Due after more than one year		
Other debtors	307	1,042
	<u>307</u>	<u>1,042</u>
Due within one year		
Trade debtors	4,937	2,629
Amounts owed by group undertakings	1,308	271
Other debtors	3	4
Prepayments and accrued income	134	1,090
Deferred taxation	2	18
	<u>6,691</u>	<u>5,054</u>

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**Notes to the financial statements
For the year ended 30 April 2018**

17. Cash and cash equivalents

	2018 £000	2017 £000
Cash at bank and in hand	1,641	1,167
	<u>1,641</u>	<u>1,167</u>

18. Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	1,376	898
Amounts owed to group undertakings	559	817
Corporation tax	162	9
Other taxation and social security	252	325
Other creditors	9	6
Accruals and deferred income	735	981
	<u>3,093</u>	<u>3,036</u>

19. Financial instruments

	2018 £000	2017 £000
Financial assets		
Financial assets that are debt instruments measured at amortised cost	6,690	5,036
	<u>6,690</u>	<u>5,036</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(2,679)	(2,702)
	<u>(2,679)</u>	<u>(2,702)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group companies, other debtors and prepayments and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group, other creditors and accruals and deferred income.

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Notes to the financial statements
For the year ended 30 April 2018

20. Deferred taxation

	2018 £000
At beginning of year	18
Charged to profit or loss	(16)
At end of year	<u><u>2</u></u>

The deferred tax asset is made up as follows:

	2018 £000	2017 £000
Accelerated capital allowances	(27)	(24)
Tax losses carried forward	-	42
Short term timing differences - trading	29	-
	<u>2</u>	<u>18</u>

21. Share capital

	2018 £000	2017 £000
Allotted, called up and fully paid		
1,102,974 Ordinary shares of £0.01 each	<u>11</u>	<u>11</u>

All classes of shares have ordinary voting and rights to assets in a wind up.

22. Reserves

Share premium account

The reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and loss account

This reserve represents cumulative profits and losses, after deductions of dividends paid.

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**Notes to the financial statements
For the year ended 30 April 2018**

23. Commitments under operating leases

At 30 April 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2018 £000	2017 £000
Not later than 1 year	123	123
Later than 1 year and not later than 5 years	326	449
	<u>449</u>	<u>572</u>

24. Related party transactions

During the period the Company entered into transactions in the ordinary course of business with related parties other than its Directors. No amounts due from related parties were written off during the period and no provision is held against outstanding balances. Transactions entered into and trading balances outstanding are as follows:

	2018 Amounts £000	2018 Amounts owed from/ (to) related party £000	2017 Amounts £000	2017 Amounts owed from/ (to) related party £000
Berwin Leighton Paisner LLP	1,194	194	877	271
Berwin Leighton Paisner LLP	(536)	(559)	(480)	(23)
Tom Hartley	(35)	245	-	280
LOD Global Limited	-	-	43	106
LOD Global Limited	932	138	(900)	(900)
Spoke Law Limited	63	751	688	688
Australia	5	9	4	4
Singapore	8	12	4	4
Asia Holdings	(2)	2	4	4
Dubai	139	139	-	-
Germany	222	222	-	-
	<u>1,990</u>	<u>1,153</u>	<u>240</u>	<u>434</u>

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Notes to the financial statements
For the year ended 30 April 2018

25. Controlling party

The immediate controlling parent company is LOD Global Limited. The ultimate controlling party for the period 1 May 2017 to 30 March 2018 was Berwin Leighton Paisner LLP. The ultimate controlling party, as at 30 April 2018, is New Law Enterprises LLP.

New Law Enterprises LLP was incorporated on 27 March 2018 and is not required to prepare accounts for the year ended on 30 April 2018. Accordingly, the parent undertaking of the smallest and largest group to which this Company belongs and for which group financial statements are prepared is LOD Global Limited. Copies of the consolidated financial statements of LOD Global Limited can be obtained from its registered office, St Magnus House, 3 Lower Thames Street, London EC3R 6HE.

Post Balance Sheet event

There was a change to the ultimate controlling party on 25 May 2018 to be Bowmark Capital LLP.