

Advantage Property Lawyers Limited

Directors' report and financial statements

Registered number 06750681

For the year ended 31 December 2018



Contents

	Page
Directors' report	1
Independent auditors' report	2
Statement of comprehensive income and retained earnings	5
Statement of financial position	6
Notes	7

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2018.

Dividends amounting to £1,000,000 were paid in the year (2017: 1,050,000). The directors have not proposed a final dividend for the year (2017: £nil).

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 Section 1A, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

Directors

The directors who held office during the year and up to the date of signing the financial statements were as follows:

A Ambler
G Kermode
R Lewis
J Sheldon
D Thompson Limited (resigned 31 March 2019)
S Malle (appointed 27 February 2019)

Post balance sheet event

As at the date of signing The Move Factory Holdings Group, of which this company is a member, had entered into an agreement to join the Simplify Group of companies. Upon completion of the transaction the ultimate controlling party is expected to be Palamon Capital Partners. As a result of the anticipated sale of the group the directors have assessed the likely ongoing financing structure, including applicable covenants, to ensure there are no further factors to consider as part of the going concern assessment.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In preparing this report, advantage has been taken of the small companies exemption under s415A of the Companies Act 2006.

By order of the board:



S Malle
Director
14 MARCH 2019

Hurley House
1 Dewsbury Road
Leeds, LS11 5DQ

Independent auditors' report to the members of Advantage Property Lawyers Limited

Report on the audit of the financial statements

Opinion

In our opinion, Advantage Property Lawyers Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise; the Statement of financial position as at 31 December 2018; the Statement of comprehensive income and retained earnings for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- 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 group's and 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.

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union, which is currently due to occur on 29 March 2019, are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Independent auditors' report to the members of Advantage Property Lawyers Limited (*continued*)

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Statement of comprehensive income and retained earnings
for the year ended 31 December 2018

	<i>Note</i>	2018 £000	2017 £000
Turnover	4	11,444	9,950
Cost of sales		(7,923)	(7,246)
Gross profit		3,521	2,704
Administrative expenses		(1,568)	(1,251)
Other operating income		108	110
Operating profit	5	2,061	1,563
Analysed as:			
EBITDA		2,147	1,642
Amortisation	7	(35)	(28)
Depreciation	8	(51)	(51)
Operating profit	5	2,061	1,563
Interest receivable and similar income		-	-
Profit before taxation		2,061	1,563
Tax on profit		(396)	(299)
Profit for the financial year and total comprehensive income		1,665	1,264
Profit and loss account brought forward		1,150	936
Dividend paid		(1,000)	(1,050)
Profit and loss account carried forward		1,815	1,150

All of the activities of the company are classed as continuing operations.

The notes on pages 6 to 9 form part of these financial statements.

Statement of financial position
as at 31 December 2018

	Note	2018 £000	2018 £000	2017 £000	2017 £000
Fixed assets					
Intangible assets	7		102		66
Tangible assets	8		141		172
			<u>243</u>		<u>238</u>
Current assets					
Debtors	9	1,609		1,481	
Cash at bank and in hand		1,435		740	
		<u>3,044</u>		<u>2,221</u>	
Creditors: Amounts falling due within one year	10	<u>(1,446)</u>		<u>(1,273)</u>	
Net current assets			<u>1,598</u>		<u>948</u>
Total assets less current liabilities			<u>1,841</u>		<u>1,186</u>
Provision for other liabilities			(25)		(35)
Net assets			<u>1,816</u>		<u>1,151</u>
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account			1,815		1,150
Total equity			<u>1,816</u>		<u>1,151</u>

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

The notes on pages 6 to 9 form part of these financial statements.

These financial statements were approved by the board of directors on *14 MARCH* 2019 and were signed on its behalf by:



S Malle
Director

Company registered number: 06750681

Notes

(forming part of the financial statements)

1 Company information

Advantage Property Lawyers Limited is a private limited liability company incorporated in England. The Registered Office is Hurley House, 1 Dewsbury Road, Leeds, LS11 5DQ.

2 Statement of compliance

The individual financial statements of Advantage Property Lawyers Limited have been prepared in compliance with United Kingdom Accounting Standards, including Section 1A of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements:

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Functional and presentational currency

The company's functional and presentational currency is pound sterling.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost, less its estimated residual value, of tangible fixed assets by equal instalments over their useful economic lives as follows:

Leasehold improvements	Over the life of the lease
Fixtures and fittings	Five years straight line
Equipment	Five years straight line

Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated amortisation losses. Software is amortised over its estimated useful life of 5 years, on a straight line basis.

The assets are reviewed for impairment if factors such as technological advancement or changes in market process indicate that the carrying amount may be impaired.

Leases

(i) Operating leases

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Operating lease rentals are charged to the Statement of comprehensive income on a straight line basis over the period of the lease.

(ii) Lease incentives

Incentives received to enter into an operating lease are credited to the Statement of comprehensive income, to reduce the lease expense, on a straight-line basis over the period of the lease.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of capital items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Notes (continued)

3 Summary of significant accounting policies (continued)

Turnover

Turnover is measured as the fair value of the consideration received or receivable for management charges and fees in accordance with applicable accounting standards and net of value added tax. The following criteria must be met before turnover is recognised:

- 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.

Costs directly related to the turnover are recognised in the same period in which the turnover is recognised.

4 Turnover

Turnover is attributable to the principal activity of the company which all arises in the United Kingdom.

5 Operating profit

The audit fee of £14,000 (2017: £14,000) relating to the company is borne by My Home Move Limited.

6 Staff numbers and costs

The monthly average number of persons employed by the company (including directors) during the financial year, was as follows:

	Number of employees	
	2018	2017
Employees	134	136

7 Intangible assets

	Software £000	Total £000
Cost		
At 1 January 2018	193	193
Additions	71	71
Disposals	-	-
	264	264
Accumulated amortisation		
At 1 January 2018	127	127
Charge for the year	35	35
Disposals	-	-
	162	162
Net book amount		
At 31 December 2018	102	102
At 31 December 2017	66	66

The software intangible assets include the company's client case management system.

Notes (continued)

8 Tangible assets

	Short leasehold property improvements £000	Fixtures and fittings £000	Equipment £000	Total £000
Cost				
At 1 January 2018	95	94	143	332
Additions	-	4	16	20
Disposals	-	-	-	-
	<u>95</u>	<u>98</u>	<u>159</u>	<u>352</u>
At 31 December 2018	<u>95</u>	<u>98</u>	<u>159</u>	<u>352</u>
Accumulated depreciation				
At 1 January 2018	36	53	71	160
Charge for the year	10	16	25	51
Disposals	-	-	-	-
	<u>46</u>	<u>69</u>	<u>96</u>	<u>211</u>
At 31 December 2018	<u>46</u>	<u>69</u>	<u>96</u>	<u>211</u>
Net book amount				
At 31 December 2018	<u>49</u>	<u>29</u>	<u>63</u>	<u>141</u>
At 31 December 2017	<u>59</u>	<u>41</u>	<u>72</u>	<u>172</u>

9 Debtors

	2018 £000	2017 £000
Other debtors (including £16,000 due after one year)	57	56
Prepayments and accrued income	1,552	1,425
	<u>1,609</u>	<u>1,481</u>

Notes (continued)

10 Creditors: Amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	47	76
Corporation tax	188	142
Other taxation and social security	471	411
Other creditors	-	7
Accruals and deferred income	740	637
	<u>1,446</u>	<u>1,273</u>

11 Called up share capital

	2018 £000	2017 £000
<i>Allotted and fully paid:</i>		
1,000 (2017: 1,000) ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

12 Capital and other commitments

Total commitments under non-cancellable operating leases are set out below:

	2018 £000	2017 £000
Operating leases which expire:		
Later than one year and not later than five years	86	130
Later than five years	225	275
	<u>311</u>	<u>405</u>

13 Controlling parties including post balance sheet event

The results of the company are consolidated within the financial statements of The Move Factory Holdings Limited, a company incorporated in England. The consolidated financial statements are available, by application, from the company secretary, 1 Frances Way, Grove Park, Enderby, Leicester, LE19 1SH. Smedvig Capital AS, a company incorporated in Norway, is the ultimate parent company of The Move Factory Holdings Limited group and the ultimate controlling party by virtue of its ownership of The Move Factory Holdings Limited via Smedvig QIF PLC, an Irish Umbrella Fund.

As at the date of signing The Move Factory Holdings Group, of which this company is a member, had entered into an agreement to join the Simplify Group of companies. Upon completion of the transaction the ultimate controlling party is expected to be Palamon Capital Partners.