

Baker & McKenzie Global Services (UK) Limited

**Report and Financial Statements
For the year ended 30 June 2010**



Baker & McKenzie Global Services (UK) Limited

Report and financial statements 2010

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditors' report	5
Profit and loss account	7
Balance sheet	8
Notes to the accounts	9

Baker & McKenzie Global Services (UK) Limited

Report and financial statements 2010

Officers and professional advisers

Directors

R Enriquez
A G Harvey
E Leite
B Pessoa de Araujo
J Pitts
K Vanhaerents

Secretary

Abogado Nominees Limited

Registered office

100 New Bridge Street
London
EC4V 6JA

Bankers

National Westminster Bank Plc
Aldwych Branch
London

Auditors

Deloitte LLP
Chartered Accountants
London

Baker & McKenzie Global Services (UK) Limited

Directors' Report

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the year ended 30 June 2010

Principal activity

The principal activity of the company is that of the provision of support services to member firms of Baker & McKenzie International

Results, dividends and future prospects

There was a profit for the year after taxation amounting to £369,125 (2009 profit of £187,263) There were no dividend payments made for the year ended 30 June 2010 (30 June 2009 £Nil)

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

The entity will continue with its principal activity for the foreseeable future

Directors

The directors of the company who served during the year, and since the year end, were as follows

J J Conroy Jr (Resigned 14 February 2011)
R Enriquez (Appointed 10 March 2010)
A G Harvey
R Jimenez-Gusi (Resigned 10 March 2010)
E Leite (Appointed 14 February 2011)
RJ Mendoza (Resigned 10 March 2010)
B Pessoa de Araujo (Appointed 10 March 2010)
J Pitts
K Vanhaerents (Appointed 10 March 2010)

Supplier payment policy

It is the policy of the company to pay suppliers by the due date in accordance with their terms and conditions At 30 June 2010 the ratio, expressed in days, of the amounts owed to trade creditors to total purchases during the period was 25.9 days (2009 16.9 days)

Going concern

The directors consider that the company has adequate financial resources and the nature of the service agreement with its parent company means that it will remain profitable for the foreseeable future As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook

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

Audit information

Each of the directors at the date of approval of this report confirms that

- 1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- 2) the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Baker & McKenzie Global Services (UK) Limited

Directors' Report

Auditors

Deloitte LLP were re-appointed as auditors for the year ended 30 June 2010 and have expressed their willingness to continue in office

Approved by the Board of Directors
and signed on their behalf



B Pessoa de Araujo

Director

7 March 2011

Baker & McKenzie Global Services (UK) Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 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 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, 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 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.

Baker & McKenzie Global Services (UK) Limited

Independent auditors' report to the members of Baker & McKenzie Global Services (UK) Limited

We have audited the financial statements of Baker & McKenzie Global Services Ltd for the year ended 30 June 2010 which comprise of Profit and Loss Account, and the Balance Sheet and the related notes 1 to 10. 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)

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 auditors' 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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit 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 (APB'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.

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 30 June 2010 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

Opinion on other matter prescribed by the Companies Act 2006

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

Baker & McKenzie Global Services (UK) Limited

Independent auditors' report to the members of Baker & McKenzie Global Services (UK) 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, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors report



Peter Saunders (Senior Statutory Auditor)
for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditors
London

22 March 2011

Baker & McKenzie Global Services (UK) Limited

Profit and loss account Year ended 30 June 2010

	Notes	2010	2009
		£	£
Turnover		5,524,438	6,402,073
Administrative expenses		<u>(5,009,537)</u>	<u>(6,142,087)</u>
Operating profit and profit on ordinary activities before taxation	3	514,901	259,986
Tax on profit on ordinary activities	4	<u>(145,776)</u>	<u>(72,723)</u>
Retained profit for the financial year	8	<u><u>369,125</u></u>	<u><u>187,263</u></u>

Turnover and operating profit derive from continuing operations

There were no recognised gains or losses in the current or preceding period other than the results stated above, and therefore no statement of total recognised gains and losses is presented

Baker & McKenzie Global Services (UK) Limited

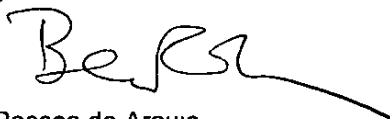
Balance sheet 30 June 2010

	Notes	2010	2009
		£	£
Current assets			
Debtors	5	2,270,748	1,255,575
Cash at bank and in hand		265,404	385,686
		<u>2,536,152</u>	<u>1,641,261</u>
Creditors, amounts falling due within one year	6	(1,011,379)	(485,613)
		<u>1,524,773</u>	<u>1,155,648</u>
Net assets			
Capital and reserves			
Called up share capital	7	1,000	1,000
Profit and loss account	8	1,523,773	1,154,648
		<u>1,524,773</u>	<u>1,155,648</u>
Shareholders' funds	8		
		<u>1,524,773</u>	<u>1,155,648</u>

These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and delivered in accordance with the special provisions applicable to companies subject to the small companies regime

The financial statements of Baker & McKenzie Global Services (UK) Limited (registered number 05094078) were approved by the Board of Directors and authorised for issue on 7 March 2011

Signed on behalf of the Board of Directors



B Pessoa de Araujo
Director

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2010

1. Accounting policies

Basis of preparation

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards and under the historical cost convention. The accounting policies have been applied consistently throughout the current and preceding year.

Going concern

As described in the Directors' Report on page 2, 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.

Cash flow statement

The directors have taken advantage of the small company exemption from including a cash flow statement in the financial statements under FRS 1 (Revised 1998) "Cash Flow Statements".

Turnover

Turnover represents amount receivable for goods and services provided in the normal course of business excluding value added tax. All sales are made from within the United Kingdom. Turnover is recognised as per the contractual terms of the recharge agreement.

Taxation

Current taxation, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be reversed. Deferred tax assets and liabilities are not discounted.

Foreign currency transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Exchange differences are included in the profit and loss account.

Pension costs

Baker & McKenzie Global Services (UK) Limited operates a defined contribution pension scheme for staff. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2010

2. Directors and employees

	2010 £	2009 £
Staff costs (including directors) during the year were as follows		
Wages and salaries	2,703,779	2,985,573
Redundancy costs	-	240,627
Social security costs	346,084	412,954
Pension costs	91,078	112,189
	<u>3,140,941</u>	<u>3,751,343</u>
	No.	No.
The average weekly number of employees (excluding directors) utilised during the year was as follows		
Administration	<u>35</u>	<u>43</u>

The directors received no remuneration in respect of their services to the company during the period (2009 £nil)

3. Operating profit and profit on ordinary activities before taxation

	2010 £	2009 £
The operating profit and profit on ordinary activities before taxation is stated after charging		
Fees payable to the company auditor for the audit of the annual financial statements	<u>7,000</u>	<u>7,000</u>

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2010

4. Tax on profit on ordinary activities

	2010 £	2009 £
Profit on ordinary activities before tax	514,901	259,986
Tax at 28% (2009 28%)	144,172	72,796
Prior year adjustments	-	(73)
Adjustment for non-deductible items	1,604	-
Current tax charge for year	145,776	72,723

5. Debtors

	2010 £	2009 £
Amounts due from group undertakings	2,144,832	1,153,542
Other debtors	7,953	10,511
Prepayments	117,963	91,522
	2,270,748	1,255,575

6. Creditors: amounts falling due within one year

	2010 £	2009 £
Corporation tax	145,776	72,723
Other taxation and social security	296,856	167,078
Other creditors	25,215	134,846
Accruals	148,559	110,966
Amounts due to group undertakings	394,973	-
	1,011,379	485,613

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2010

7. Called up share capital

	2010 £	2009 £
Authorised 10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

8 Combined statement of reconciliation of movements in reserves and equity shareholders' funds

	Profit and loss account £	Share capital £	Shareholders' funds £
At 1 July 2009	1,154,648	1,000	1,155,648
Retained profit for the financial year	<u>369,125</u>	<u>-</u>	<u>369,125</u>
At 30 June 2010	<u>1,523,773</u>	<u>1,000</u>	<u>1,524,773</u>

9. Related party transactions

During the course of the year Baker & McKenzie Global Services (UK) Limited invoiced £5,144,836 (2009 £7,358,711) to Baker & McKenzie International BV, its ultimate controlling party

Included within Debtors is £2,144,832 (2009 £1,846,335) due from Baker & McKenzie International BV, the ultimate controlling party of Baker & McKenzie Global Services (UK) Limited

10 Ultimate controlling party

The immediate and ultimate parent company and ultimate controlling party of Baker & McKenzie Global Services (UK) Limited is Baker & McKenzie International BV, a company incorporated in the Netherlands