

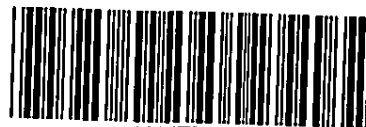
Company Registration No. 05094078

Baker & McKenzie Global Services (UK) Limited

Report and Financial Statements

For the year ended 30 June 2013

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Baker & McKenzie Global Services (UK) Limited

Report and financial statements 2013

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	4
Independent auditor's report	5
Profit and loss account	7
Balance sheet	8
Cash flow statement	9
Notes to the accounts	10

Baker & McKenzie Global Services (UK) Limited

Report and financial statements 2013

Officers and professional advisers

Directors

R Enriquez
B Hambrett
J Holloway
E Leite
B Pessoa de Araujo
K Vanhaerents

Secretary

Abogado Nominees Limited

Registered office

100 New Bridge Street
London
EC4V 6JA

Bankers

National Westminster Bank Plc
Aldwych Branch
London

Auditor

Deloitte LLP
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 auditor's report for the year ended 30 June 2013

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 £496,805 (2012 profit of £509,994) There were no dividend payments made for the year ended 30 June 2013 (30 June 2012 £nil)

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

R Enriquez
B Hambrett (appointed 12 December 2012)
A G Harvey (resigned 12 December 2012)
J Holloway (appointed 12 December 2012)
E Leite
B Pessoa de Araujo
J Pitts (resigned 12 December 2012)
K Vanhaerents

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 2013 the ratio, expressed in days, of the amounts owed to trade creditors to total purchases during the period was 33.3 days (2012 23.9 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

Principal risks and uncertainties

The Company is exposed to financial risk through its financial assets and liabilities The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk Due to the nature of the Company's business the only financial risks that the directors consider relevant to the Company are cash flow risk

The Company addresses cash flow risk carefully, managing its working capital inflows and outflows

Baker & McKenzie Global Services (UK) Limited

Directors' report

Other information

During the year ended 30 June 2013 the Company made charitable donations of £0 (2012 £0) There were no political donations during the year (2012 £nil)

Applications for employment by disabled persons are always fully considered in the light of the respective skills and abilities of those concerned Training and career development for such a person would, wherever possible, be similar to that of a person fortunate enough not to suffer from a disability

Audit information

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

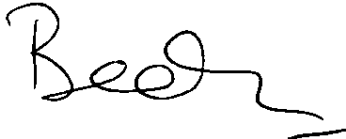
- 1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- 2) the director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the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

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

Auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting

Approved by the Board of Directors
and signed on their behalf



Director

19 March 2014

B PESSOA DE ARAUJO

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, 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.

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

We have audited the financial statements of Baker & McKenzie Global Services Limited for the year ended 30 June 2013 which comprise the Profit and Loss Account, the Balance Sheet, the Cashflow Statement and the related notes 1 to 15. 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 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.

Respective responsibilities of directors and auditor

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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2013 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.

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

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,



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

27 March 2014

Baker & McKenzie Global Services (UK) Limited

Profit and loss account Year ended 30 June 2013

	Notes	2013 £	2012 £
Turnover	1	10,876,567	9,656,731
Administrative expenses		<u>(10,210,327)</u>	<u>(8,958,323)</u>
Operating profit and profit on ordinary activities before taxation	3	666,240	698,408
Tax on profit on ordinary activities	4	<u>(169,435)</u>	<u>(188,414)</u>
Retained profit for the financial year	9	<u><u>496,805</u></u>	<u><u>509,994</u></u>

All activities relate to continuing operations

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

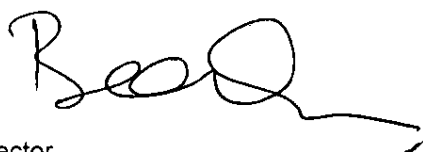
Baker & McKenzie Global Services (UK) Limited

Balance sheet Year ended 30 June 2013

	Notes	2013 £	2012 £
Fixed assets			
Investments	5	<u>9</u>	<u>9</u>
Current assets			
Debtors	6	4,213,960	3,389,411
Cash at bank and in hand		<u>159,907</u>	<u>223,152</u>
		4,373,867	3,612,563
Creditors: amounts falling due within one year	7	<u>(1,485,987)</u>	<u>(1,221,488)</u>
Net current assets		<u>2,887,880</u>	<u>2,391,075</u>
Net assets		<u>2,887,889</u>	<u>2,391,084</u>
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account	9	<u>2,886,889</u>	<u>2,390,084</u>
Shareholders' funds	9	<u>2,887,889</u>	<u>2,391,084</u>

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 19 March 2014

Signed on behalf of the Board of Directors



Director

B PESSOA DE ARAGO

Baker & McKenzie Global Services (UK) Limited

Cash flow statement Year ended 30 June 2013

	Notes	2013 £	2012 £
Net cash inflow from operating activities	10	74,110	292,256
Taxation	11	(137,355)	(183,476)
(Decrease)/increase in cash	12,13	<u>(63,245)</u>	<u>108,780</u>

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2013

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, 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.

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.

Investments

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

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2013

2 Directors and employees

	2013 £	2012 £
Staff costs (including directors) during the year were as follows		
Wages and salaries	5,481,306	4,769,224
Redundancy costs	258,600	-
Social security costs	739,407	586,153
Pension costs	194,298	137,309
	<u>6,673,611</u>	<u>5,492,686</u>
	No.	No.
The average weekly number of employees (excluding directors) utilised during the year was as follows		
Administration	<u>51</u>	<u>46</u>

The directors received no remuneration in respect of their services to the company during the period (2012 £nil)

3 Operating profit and profit on ordinary activities before taxation

	2013 £	2012 £
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	7,850	7,600
Fees payable to the company auditor for other services - Tax compliance	<u>4,600</u>	<u>3,650</u>

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2013

4. Tax on profit on ordinary activities

The tax charge comprises

	2013 £	2012 £
Current tax		
UK corporation tax	169,626	188,414
Adjustment in respect of prior year	(191)	-
Total current tax	<u>169,435</u>	<u>188,414</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows

	2013 £	2012 £
Profit on ordinary activities before tax	<u>662,240</u>	<u>698,408</u>
Tax at 23.8% (2012: 25.5%)	158,236	178,113
Adjustment for non-deductible items	11,390	10,301
Adjustment in respect of prior year	(191)	-
Current tax charge for year	<u>169,435</u>	<u>188,414</u>

5. Fixed asset investments

	2013 £	2012 £
Investments	<u>9</u>	<u>9</u>

Baker & McKenzie Global Services (UK) Limited has an investment in Baker & McKenzie Ofis Yönetimi ve Hizmetleri Limited Şirketi

Investment	Country of incorporation	Principal activity	Holding	%
Baker & McKenzie Ofis Yönetimi ve Hizmetleri Limited Şirketi	Turkey	Provision of support services	Ordinary shares	0.5

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2013

6 Debtors

	2013 £	2012 £
Amounts due from group undertakings	3,787,640	3,103,060
Other debtors	97,104	15,999
Prepayments	329,216	270,352
	<u>4,213,960</u>	<u>3,389,411</u>

7 Creditors: amounts falling due within one year

	2013 £	2012 £
Corporation tax	81,862	49,782
Other taxation and social security	547,468	437,178
Other creditors	54,103	66,461
Accruals	322,611	226,731
Amounts due to group undertakings	479,943	441,336
	<u>1,485,987</u>	<u>1,221,488</u>

8 Called up share capital

	2013 £	2012 £
Allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

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

	Profit and loss account £	Share capital £	Shareholders' funds £
At 1 July 2012	2,390,084	1,000	2,391,084
Retained profit for the financial year	496,805	-	496,805
At 30 June 2013	<u>2,886,889</u>	<u>1,000</u>	<u>2,887,889</u>

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2013

10 Net cash inflow from operating activities

	2013 £	2012 £
Operating profit	666,240	698,408
Increase in debtors	(824,549)	(649,672)
Increase in creditors	232,419	243,520
Net cash inflow from operating activities	<u>74,110</u>	<u>292,256</u>

11 Analysis of cash flows

	2013 £	2012 £
Taxation		
UK corporation tax paid	<u>(137,355)</u>	<u>(183,476)</u>

12 Analysis of changes in net funds

	1 July 2012 £	Cash flow £	30 June 2013 £
Cash at bank and in hand	223,152	(63,245)	159,907
Total	<u>223,152</u>	<u>(63,245)</u>	<u>159,907</u>

13. Reconciliation of net cash flow to movement in net funds

	2013 £	2012 £
(Decrease)/increase in cash in the year	<u>(63,245)</u>	<u>108,780</u>
Change in net funds resulting from cash flows	(63,245)	108,780
Net funds at start of year	<u>223,152</u>	<u>114,372</u>
Net funds at end of year	<u>159,907</u>	<u>223,152</u>

Baker & McKenzie Global Services (UK) Limited

Notes to the accounts Year ended 30 June 2013

14. Related party transactions

During the course of the year Baker & McKenzie Global Services (UK) Limited invoiced £11,437,074 (2012 £10,007,961) to Baker & McKenzie International BV, its ultimate controlling party

Included within debtors is £3,787,640 (2012 £3,103,060) due from Baker & McKenzie International BV, the ultimate controlling party of Baker & McKenzie Global Services (UK) Limited

15 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

No entity prepares consolidated accounts which include the company