

Company Registration No. 05094078

**Baker & McKenzie Global Services (UK) Limited**

**Report and Financial Statements  
For the year ended 30 June 2011**

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# **Baker & McKenzie Global Services (UK) Limited**

## **Report and financial statements 2011**

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# **Baker & McKenzie Global Services (UK) Limited**

## **Report and financial statements 2011**

### **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

#### **Auditor**

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 2011

### **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 £356,317 (2010 profit of £369,125) There were no dividend payments made for the year ended 30 June 2011 (30 June 2010 £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  
A G Harvey  
E Leite (Appointed 14 February 2011)  
B Pessoa de Araujo  
J Pitts  
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 2011 the ratio, expressed in days, of the amounts owed to trade creditors to total purchases during the period was 25.1 days (2010 25.9 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/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 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



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## **Baker & McKenzie Global Services (UK) Limited**

### **Directors' Report**

#### **Auditors**

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



B Pessoa de Araujo

Director

15 March 2012

## **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.

## **Baker & McKenzie Global Services (UK) Limited**

### **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 Ltd for the year ended 30 June 2011 which comprise of the Profit and Loss Account, 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 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 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 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 2011 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 auditor's 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 Auditor  
London

**19** March 2012

## Baker & McKenzie Global Services (UK) Limited

### Profit and loss account Year ended 30 June 2011

	Notes	2011	2010
		£	£
Turnover	1	7,107,235	5,524,438
Administrative expenses		<u>(6,614,899)</u>	<u>(5,009,537)</u>
<b>Operating profit and profit on ordinary activities before taxation</b>	3	492,336	514,901
Tax on profit on ordinary activities	4	<u>(136,019)</u>	<u>(145,776)</u>
<b>Retained profit for the financial year</b>	8	<u><u>356,317</u></u>	<u><u>369,125</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 2011

	Notes	2011	2010
		£	£
<b>Current assets</b>			
Debtors	5	2,739,748	2,270,748
Cash at bank and in hand		<u>114,372</u>	<u>265,404</u>
		2,854,120	2,536,152
<b>Creditors: amounts falling due within one year</b>	6	<u>(973,030)</u>	<u>(1,011,379)</u>
<b>Net assets</b>		<u>1,881,090</u>	<u>1,524,773</u>
<b>Capital and reserves</b>			
Called up share capital	7	1,000	1,000
Profit and loss account	8	<u>1,880,090</u>	<u>1,523,773</u>
<b>Shareholders' funds</b>	8	<u>1,881,090</u>	<u>1,524,773</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 15 March 2012

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 2011**

### **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.

#### **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 2011

#### 2. Directors and employees

	2011 £	2010 £
Staff costs (including directors) during the year were as follows		
Wages and salaries	3,372,416	2,703,779
Social security costs	450,009	346,084
Pension costs	113,670	91,078
	<u>3,936,095</u>	<u>3,140,941</u>
	<b>No.</b>	<b>No.</b>
The average weekly number of employees (excluding directors) utilised during the year was as follows		
Administration	<u>37</u>	<u>35</u>

The directors received no remuneration in respect of their services to the company during the period (2010 £nil)

#### 3. Operating profit and profit on ordinary activities before taxation

	2011 £	2010 £
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	7,500	7,000
Fees payable to the company auditor for other services - Tax compliance	<u>6,500</u>	<u>-</u>

## Baker & McKenzie Global Services (UK) Limited

### Notes to the accounts Year ended 30 June 2011

#### 4. Tax on profit on ordinary activities

	2011 £	2010 £
Profit on ordinary activities before tax	492,336	514,901
Tax at 27.5% (2010 28%)	135,399	144,172
Adjustment for non-deductible items	620	1,604
Current tax charge for year	<u>136,019</u>	<u>145,776</u>

#### 5. Debtors

	2011 £	2010 £
Amounts due from group undertakings	2,586,770	2,144,832
Other debtors	26,650	7,953
Prepayments	126,328	117,963
	<u>2,739,748</u>	<u>2,270,748</u>

#### 6. Creditors: amounts falling due within one year

	2011 £	2010 £
Corporation tax	44,844	145,776
Other taxation and social security	330,744	296,856
Other creditors	46,459	25,215
Accruals	156,040	148,559
Amounts due to group undertakings	394,943	394,973
	<u>973,030</u>	<u>1,011,379</u>

## Baker & McKenzie Global Services (UK) Limited

### Notes to the accounts Year ended 30 June 2011

#### 7. Called up share capital

	2011 £	2010 £
<b>Authorised</b> 10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
<b>Allotted, called up and fully paid</b> 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 2010	1,523,773	1,000	1,524,773
Retained profit for the financial year	<u>356,317</u>	<u>-</u>	<u>356,317</u>
At 30 June 2011	<u>1,880,090</u>	<u>1,000</u>	<u>1,881,090</u>

#### 9. Related party transactions

During the course of the year Baker & McKenzie Global Services (UK) Limited invoiced £7,583,550 (2010 £5,144,836) to Baker & McKenzie International BV, its ultimate controlling party

Included within Debtors is £2,586,770 (2010 £2,144,832) 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