

**CLIFFORD CHANCE NEWCASTLE LIMITED
(FORMERLY CLIFFORD CHANCE NOMINEES
LIMITED)
Company Registration No. 511097**

Annual Report and Financial Statements

Year ended 30 April 2019

FRIDAY



LD3

L8XC0I81

24/01/2020

#65

COMPANIES HOUSE

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

**Annual report and Financial Statements
Year ended 30 April 2019**

Contents	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	5
Independent auditors' report	6
Profit and loss account	10
Statement of comprehensive income	11
Balance sheet	12
Statement of changes in equity	13
Notes to the financial statements	14

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

**Annual report and Financial Statements
Year ended 30 April 2019**

Officers and professional advisers

Directors

M. D. Bates
H. L. Carty
D. Harkness
M. Layton
A. J. M. Levy (resigned 4 September 2018)
E. L. Matebalavu
M.F. Newick (appointed 1 April 2019)
C. C. Perrin
D. J. Pudge (resigned 4 September 2018)
M. J. Sweeting (resigned 30 April 2019)

Company Secretary

TMF Corporate Administration Services Limited

Registered Office

Partnership House
Regent Farm Road
Newcastle Upon Tyne
United Kingdom
NE3 3AF

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

**Directors' Report
Year ended 30 April 2019**

The directors present their report and the audited financial statements for the year ended 30 April 2019.

The company changed its name from Clifford Chance Nominees Limited to Clifford Chance Newcastle Limited on 10 September 2018.

Principal activities

The principal activity of the company is to provide process-driven and technology-enabled legal support to Clifford Chance and other clients.

There have been no events since the balance sheet date which materially affect the position of the company.

The directors are satisfied with the level of business and the company's position at 30 April 2019 and propose to continue with the current activities in the next financial year.

In accordance with the provisions of s414B Companies Act 2006 and s415A Companies Act 2006, the Company is entitled to the small companies exemption in relation to the strategic report and directors' report for the financial year.

Results

The results for the year are set out on page 10.

Dividends

The directors do not recommend the payment of a dividend in respect of the year (year ended 30 April 2018: £nil).

Directors

The directors who held office during the year and at the date of this report are set out on page 1. The company has put in place, throughout the year and at the time of approving these accounts, qualifying third party indemnity provisions for all the directors of Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited).

Directors' Report
Year ended 30 April 2019

Disclosure of information to auditors

In the case of each of the persons who are directors of the company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditors are unaware; and
- each of the directors has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) 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.

Financial risk management and policies

The following summarises the principal risks associated with the company's financial assets and liabilities and how those risks are managed.

Liquidity risk

The business is predominantly financed by advances from group undertakings. The capital structure is reviewed regularly to ensure that it is adequate to fund the current and projected needs of the business.

Currency risk

The functional currency is Sterling but the company's business is international. The balance sheet exposure to currencies other than Sterling is regularly monitored. Such exposures are not hedged.

Credit risk

The treasury policy requires that surplus funds be deposited only with approved counterparties and within counterparty limits. An assessment is made of the credit risk associated with clients by reviewing independent ratings and by monitoring the level of unpaid fees.

Directors' Report
Year ended 30 April 2019

Going Concern

The directors have considered the appropriateness of continuing to adopt the going concern basis as set out in note 2 to the financial statements.

Approved by the Board of Directors
and signed on behalf of the Board by *DAVID HARRNESS*



22 January 2020

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

**Directors' Responsibilities Statement
Year ended 30 April 2019**

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 101 'Reduced Disclosure Framework' 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, 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.

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Independent auditors' report to the members of Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Report on the audit of the financial statements

Opinion

In our opinion, Clifford Chance Newcastle Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2019 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 101 'Reduced Disclosure Framework', 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 Annual Report and Financial Statements (the 'Annual Report'), which comprise: the balance sheet as at 30 April 2019; the profit and loss account, the statement of comprehensive income, the statement of changes in equity for the year ended 30 April 2019 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 company's ability 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.

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Independent auditors' report to the members of Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Conclusions relating to going concern (continued)

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 company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union 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.

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 30 April 2019 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.

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Independent auditors' report to the members of Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)(continued)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities set out on page 5, 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.

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Independent auditors' report to the members of Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)(continued)

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 take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Nigel Reynolds (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

22 January 2020

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

**Profit and Loss Account
Year ended 30 April 2019**

	Note	2019 £'000	2018 £'000
Revenue		3,052	93
Other operating costs	3	(2,301)	(1,254)
Operating Profit/(loss)		<u>751</u>	<u>(1,161)</u>
Financing costs		(47)	-
Profit/(loss) before taxation		<u>704</u>	<u>(1,161)</u>
Tax on profit/(loss)	4	(145)	82
Profit/(loss) for the financial year		<u><u>559</u></u>	<u><u>(1,079)</u></u>

All results relate to continuing operations.

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

**Statement of Comprehensive Income
Year ended 30 April 2019**

	2019	2018
	£'000	£'000
Profit/(Loss) for the financial year	559	(1,079)
Other comprehensive income for the year	-	-
Total comprehensive profit/(loss) for the year	<u>559</u>	<u>(1,079)</u>


Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Company Registration No. 511097

Balance Sheet
As at 30 April 2019

	Note	2019 £'000	2018 £'000
Non-current assets			
Property, plant and equipment	5	180	86
Total non-current assets		180	86
Current assets			
Accrued income		410	-
Trade and other receivables	6	195	104
Current tax asset		-	82
Cash and cash equivalents		678	205
Total current assets		1,283	391
Total assets		1,463	477
Creditors: Amounts falling due within one year			
Current tax liability		(126)	-
Trade and other payables	7	(128)	(348)
Total current liabilities		(254)	(348)
Net current assets		1,029	43
Creditors: Amounts falling due after more than one year	8	(1,729)	(1,208)
Total liabilities		(1,983)	(1,556)
Net liabilities		(520)	(1,079)
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account		(520)	(1,079)
Total shareholders' deficit		(520)	(1,079)

The financial statements on pages 10-21 were approved by the board of directors and authorised for issue on 22 JANUARY 2020. They were signed on its behalf by:


DAVID HARRISON
Director

Clifford Chance Newcastle Limited (formerly Clifford Chance Nominees Limited)

Statement of changes in equity
Year ended 30 April 2019

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' deficit £'000
Balance at 1 May 2017	-	-	-
Loss for the financial year	-	(1,079)	(1,079)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(1,079)	(1,079)
Balance at 30 April 2018	-	(1,079)	(1,079)
Profit for the financial year	-	559	559
Other comprehensive income for the year	-	-	-
Total comprehensive profit for the year	-	559	559
Balance at 30 April 2019	-	(520)	(520)

Notes to the financial statements

Year ended 30 April 2019

1. Presentation of the financial statements

General information

Clifford Chance Newcastle Limited ("the Company") is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of the registered office is Partnership House, Regent Farm Road, Newcastle Upon Tyne NE3 3AF.

The nature of the company's operation and its principal activities are set out in the Directors Report.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

a) Basis of preparation

The company meets the definition of a qualifying entity under Financial Reporting Standard 100 issued by the Financial Reporting Council. Accordingly, the financial statements have been prepared in accordance with Financial Reporting Standard FRS 101 'Reduced Disclosure Framework' (FRS 101) as issued by the Financial Reporting Council.

The Company has adopted IFRS9 'Financial Instruments' with effect from 1 May 2018. IFRS9 sets out requirements for recognising and measuring financial assets and financial liabilities. The Group has adopted an expected credit loss method of impairment of financial assets and this did not have a material impact on the Company due to the existing specific provisions against aged receivables.

Notes to the financial statements

Year ended 30 April 2019

Going concern

The directors believe that the company will continue to act in line with its principal business activity of providing legal support services. The company's ultimate holding party, Clifford Chance LLP, has confirmed that it will continue to provide support to the company to meet its obligations as they fall due for a period of not less than 12 months from the signing of the company's annual financial statements.

As a result, the directors believe that the company will continue as a going concern in the foreseeable future and have adopted the going concern basis of accounting.

Disclosure exemptions adopted

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore, these financial statements do not include:

- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' - comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1 and paragraph 73(e) of IAS 16, 'Property, plant and equipment';
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

Notes to the financial statements

Year ended 30 April 2019

b) Revenue

Revenue represents amounts chargeable to clients for professional services provided, excluding external disbursements and sales tax. Revenue for services provided to clients which has not been billed at the balance sheet date has been recognised based on the fair value of services provided up to the balance sheet date. Revenue is recognised only to the extent that there is the contractual right to receive consideration for the work performed.

c) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of the assets.

The estimated useful lives of the assets are as follows :

Office equipment, furniture, fixtures and fittings - 3 - 5 years

d) Taxation

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

e) Deferred Tax

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 IAS 12.

f) Critical accounting estimates and key sources of estimation

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the accounting policies. Estimates and judgements are continually

Notes to the financial statements

Year ended 30 April 2019

f) Critical accounting estimates and key sources of estimation (continued)

evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The critical accounting estimates and key sources of estimation applied in these financial statements relate to accrued income.

g) Accrued income

The value of accrued income has been derived on the basis of estimations and assumptions regarding the fair value of unbilled time at the year end having regard to the accounting policy for revenue recognition.

h) Trade and other receivables

For trade and other receivables, the general approach is used where the Company recognises the losses that are expected to result from all possible default events over the expected life of the receivable when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the receivable has not increased significantly since initial recognition, the entity measures the expected loss allowance based on losses that are expected to result from default events that are possible within 12 months after the reporting date. When a trade and other receivable is determined to be uncollectable it is written off, firstly against any expected credit loss allowance available and then to the income statement.

i) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions. They are readily convertible into known amounts of cash and have an insignificant risk of changes in value.

j) Trade and other payables

Trade and other payables are initially recognised at fair value and then held at amortised cost using the effective interest method.

Notes to the financial statements

Year ended 30 April 2019

3. Other operating costs	2019	2018
	£'000	£'000
Office costs	342	142
Impairment charge	-	725
Staff costs	1,585	294
Other costs	374	93
	<u>2,301</u>	<u>1,254</u>

The fees payable to the Company's auditors for the audit of the financial statements were £7.5k (2018: £7.5k). This charge has been borne by Clifford Chance LLP, the ultimate parent company. There were no non-audit fees in either year (2018:£nil).

The average monthly number of persons employed by the company was:

	2019	2018
	No.	No.
Support staff	60	12
	<u>60</u>	<u>12</u>

None of the directors received any remuneration for services as a director of Clifford Chance Newcastle Limited (2018: nil)

Staff costs are made up of:	2019	2018
	£'000	£'000
Wages and salaries	1,376	238
Social security costs	124	25
Pension contributions	44	-
Other staff costs	41	31
	<u>1,585</u>	<u>294</u>

Notes to the financial statements

Year ended 30 April 2019

4. Tax on profit/(loss)	2019 £'000	2018 £'000
UK Corporate tax at 19% (2018: 19%) based on the profit/(loss) for the year	145	-
Group relievable corporation tax for the year	-	(82)
	<u>145</u>	<u>(82)</u>

The tax charge resulting from applying the standard rate of corporate tax in the UK: (19% (2018: 19%) as shown below:

	2019 £'000	2018 £'000
Profit/(Loss) before taxation	<u>704</u>	<u>(1,161)</u>
Tax at 19% (2018: 19%) thereon	134	(220)
Effects of difference between tax treatment & accounting treatment of certain expenses	11	138
Total tax charge/(credit) for the year	<u>145</u>	<u>(82)</u>

5. Property, Plant and Equipment

	Office equipment, furniture, fixtures & fittings £'000	Total £'000
<i>Cost</i>		
Balance at 1 May 2018	89	89
Additions	152	152
Balance at 30 April 2019	<u>241</u>	<u>241</u>
<i>Accumulated depreciation</i>		
Balance at 1 May 2018	3	3
Depreciation for the year	58	58
Balance at 30 April 2019	<u>61</u>	<u>61</u>
<i>Carrying amount</i>		
At 30 April 2018	<u>86</u>	<u>86</u>
At 30 April 2019	<u>180</u>	<u>180</u>

Notes to the financial statements

Year ended 30 April 2019

6. Trade and other receivables	2019	2018
	£'000	£'000
Amounts falling due within one year		
Client receivables	26	110
less: allowance for doubtful debts	-	(8)
	<u>26</u>	<u>102</u>
Other receivables	86	2
Amounts owed by group undertakings	<u>83</u>	<u>-</u>
	<u>195</u>	<u>104</u>

Amounts owed by group undertakings are non-interest bearing and repayable on demand.

7. Trade and other payables	2019	2018
	£'000	£'000
Other payables	128	212
Amounts owed to group undertakings	-	136
	<u>128</u>	<u>348</u>

Amounts owed to group undertakings are non-interest bearing and repayable on demand.

8. Creditors: Amounts falling due after more than one year	2019	2018
	£'000	£'000
Amount due to Clifford Chance London Limited	1,704	1,208
Other creditors	25	-
	<u>1,729</u>	<u>1,208</u>

The loan was from Clifford Chance London Limited, a wholly owned subsidiary of Clifford Chance LLP. Interest is charged on the loan at the annual rate of the higher of a) 0.1% or b) GBP LIBOR plus 2.5%, for the period in respect of which the interest is being calculated. Interest shall accrue on a daily basis and be calculated on the basis of a 365 day year, compounded on 30 April 2019 and annually thereafter.

Interest shall accrue on the outstanding balance of the Loan from time to time and be payable in arrears on 30 April 2020 or such earlier time as the Loan is repaid in full.

Notes to the financial statements

Year ended 30 April 2019

9. Called up share capital	2019	2018
	£	£
Issued and fully paid 100 shares of £1 (2018: 100 shares)	<u>100</u>	<u>100</u>

10. Immediate parent undertaking and ultimate controlling party

The company's immediate parent undertaking is Mithras Limited, a company incorporated in Great Britain and registered in England and Wales.

The smallest and largest group into which the results of Clifford Chance Newcastle Limited is consolidated, and also the company's ultimate controlling party, is Clifford Chance LLP, a limited liability partnership registered in England and Wales.

The financial statements of Mithras Limited and Clifford Chance LLP can be obtained from 10 Upper Bank Street, London, E14 5JJ.