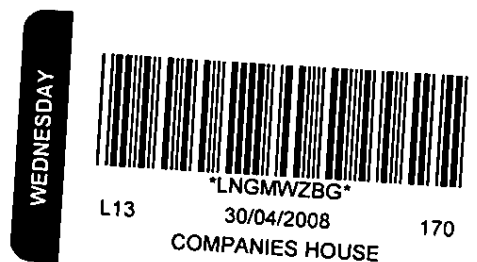


**Baker & McKenzie Global Services (UK) Limited**

**Report and Financial Statements  
For the year ended 30 June 2007**



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

## **Report and financial statements 2007**

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

## **Report and financial statements 2007**

### **Officers and professional advisers**

#### **Directors**

J J Conroy Jr  
D P Hackett  
R M E Lewin  
D L Jacobs  
R Jimenez-Gusi  
R J Mendoza

#### **Secretary**

Abogado Nominees Limited

#### **Registered office**

100 New Bridge Street  
London  
EC4V 6JA

#### **Bankers**

National Westminster Bank Plc  
Aldwych Branch  
London

#### **Auditors**

Deloitte & Touche LLP  
London

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

## **Directors' report**

The directors present their report together with the audited financial statements for the year ended 30 June 2007

### **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 £303,270. There were no dividend payments made for the year ending 30 June 2007 (30 June 2006: £Nil)

The directors have taken advantage of the special provisions available to small companies per s246 subsection 4 of the Companies Act 1985 to not present an enhanced business review in accordance with s234ZZB of the Companies Act 1985

### **Directors**

The directors of the company who served during the period were as follows except as noted

J J Conroy Jr	
D P Hackett	
R M E Lewin	
D L Jacobs	
R Jimenez-Gusi	(appointed 14 November 2006)
R J Mendoza	(appointed 14 November 2006)

None of the directors had any interests in the share capital of the company requiring disclosure under the Companies Act 1985, during or at the end of the period

### **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 2007, the ratio, expressed in days, of the amounts owed to trade creditors to total purchases during the period was 21.3 days (2006: 20.8 days)

### **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 s234ZA of the Companies Act 1985

# Baker & McKenzie Global Services (UK) Limited

## Directors' report (continued)

### Auditors

Deloitte & Touche LLP were re-appointed as auditors for the year ended 30 June 2007 and have expressed their willingness to continue in office

Approved by the Board of Directors  
and signed on their behalf



R M E Lewin  
Director

30 April 2008

# **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 period. 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). The financial statements are required by law to 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 those 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 proper accounting records, which disclose with reasonable accuracy at any time, the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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 auditors' report to the members of Baker & McKenzie Global Services (UK) Limited**

We have audited the financial statements of Baker & McKenzie Global Services (UK) Limited for the year ended 30 June 2007 which comprise the profit and loss account, the balance sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing financial statements in accordance with applicable law and United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion, the information given in the directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the company's affairs as at 30 June 2007, and of the company's profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors Report is consistent with the financial statements.

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors  
London

30 April 2008

## Baker & McKenzie Global Services (UK) Limited

### Profit and loss account Year ended 30 June 2007

	Notes	Year Ended 30 June 2007	Year Ended 30 June 2006
		£	£
Turnover		6,329,640	5,222,729
Cost of sales		(5,888,419)	(4,858,352)
<b>Gross profit</b>		<b>441,221</b>	<b>364,377</b>
Administrative expenses		(4,088)	(85,819)
<b>Operating profit and profit on ordinary activities before taxation</b>	3	<b>437,133</b>	<b>278,558</b>
Tax on profit on ordinary activities	4	(133,863)	(83,567)
<b>Retained profit for the financial period</b>	9	<b>303,270</b>	<b>194,991</b>

Turnover and operating profit derive from continuing operations

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



# Baker & McKenzie Global Services (UK) Limited

## Balance sheet 30 June 2007

	Notes	2007	2006
		£	£
<b>Current assets</b>			
Debtors	6	183,366	415,221
Bank and Cash in hand		808,358	190,952
		<u>991,724</u>	<u>606,173</u>
<b>Creditors, amounts falling due within one year</b>	7	<u>(492,463)</u>	<u>(410,182)</u>
<b>Net assets</b>		<u>499,261</u>	<u>195,991</u>
<b>Capital and reserves</b>			
Called up share capital	8	1,000	1,000
Profit and loss account	9	498,261	194,991
<b>Equity shareholders' funds</b>	9	<u>499,261</u>	<u>195,991</u>

These financial statements were approved by the Board of Directors on  
Signed on behalf of the Board of Directors

30 April 2008



R M E Lewin  
Director

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

## **Notes to the accounts Year ended 30 June 2007**

### **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.

#### **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.

#### **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.

# Baker & McKenzie Global Services (UK) Limited

## Notes to the accounts Year ended 30 June 2007

### 2 Directors and employees

	Year ended 30 June 2007	Year ended 30 June 2006
	£	£
Staff costs (including directors) during the year were as follows		
Wages and salaries	3,080,848	2,663,533
Social security costs	368,521	329,201
	<u>3,449,369</u>	<u>2,992,734</u>
	<b>No.</b>	<b>No</b>
The average weekly number of employees (excluding directors) utilised during the year was as follows		
Administration	<u>41</u>	<u>37</u>

The directors received no remuneration in respect of their services to the company during the period

# Baker & McKenzie Global Services (UK) Limited

## Notes to the accounts Year ended 30 June 2007

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

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
The operating profit and profit on ordinary activities before taxation is stated after charging		
Fees payable to the company's auditors for the audit of the company's annual accounts	6,750	6,500
	<u>                    </u>	<u>                    </u>

### 4 Tax on profit on ordinary activities

The tax assessed for the year is different to that resulting from applying the standard rate of corporation tax in the United Kingdom at 30%. The differences are explained below

	Year ended 30 June 2007 £	Year ended 30 June 2006 £
Profit on ordinary activities before tax	437,133	278,558
Tax at 30% thereon	133,271	83,567
Underprovision in respect of prior year	592	-
	<u>                    </u>	<u>                    </u>
Current tax charge for period	<u>133,863</u>	<u>83,567</u>

### 5. Dividends

	2007 £	2006 £
Amounts recognised as distributions to equity holders in the year		
Final 2005 dividend paid - £151 32 per ordinary share	-	151,320
	<u>                    </u>	<u>                    </u>
	<u>                    </u>	<u>151,320</u>

# Baker & McKenzie Global Services (UK) Limited

## Notes to the accounts Year ended 30 June 2007

### 6 Debtors

	2007 £	2006 £
Amounts due from group undertakings	113,085	379,161
Other Debtors	10,007	11,323
Prepayments	60,274	24,737
	<u>183,366</u>	<u>415,221</u>

### 7 Creditors: amounts falling due within one year

	2007 £	2006 £
Corporation tax	133,271	83,567
Other taxation and social security	199,530	168,886
Other creditors	17,008	41,973
Accruals	142,654	115,756
	<u>492,463</u>	<u>410,182</u>

### 8 Called up share capital

	2007 £	2006 £
<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>

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

	Profit and loss account £	Share capital £	Equity Shareholders' funds £
At 1 July 2006	194,991	1,000	195,991
Retained profit for the financial year	<u>303,270</u>	-	<u>303,270</u>
At 30 June 2007	<u>498,261</u>	<u>1,000</u>	<u>499,261</u>

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

### **Notes to the accounts Year ended 30 June 2007**

#### **10 Related party transactions**

During the course of the year Baker & McKenzie Global Services (UK) Limited invoiced £7,423,865 (2006 £7,246,680) to Baker & McKenzie International BV, its ultimate controlling party

Included within Debtors is £113,085 (2006 £379,161) due from Baker & McKenzie International BV, the ultimate controlling party of Baker & McKenzie Global Services (UK) Limited and Baker & McKenzie LLP

#### **11 Ultimate controlling party**

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

Copies of the group financial statements are available from the ultimate parent company's address, Claude Debussylaan 54, Amsterdam Baker & McKenzie International BV is the only company that prepares group accounts into which this entity is consolidated