

Squire Patton Boggs (UK) LLP  
Members' Report and Financial Statements  
for the year ended 30 April 2015

FRIDAY  
M'



A03	*A4Y5A0VC*	#78
	08/01/2016	
	COMPANIES HOUSE	
A24	*A4MQG1C2*	#217
	21/12/2015	
	COMPANIES HOUSE	

10-1-16-113 FES

# Squire Patton Boggs (UK) LLP

## Report to the Members

The LLP Management Committee (the "Management Committee") presents its report together with the audited financial statements of Squire Patton Boggs (UK) LLP (the "LLP") and the consolidated results of the LLP and its subsidiary undertakings (the "Group") for the year ended 30 April 2015. The LLP changed its name from Squire Sanders (UK) LLP to Squire Patton Boggs (UK) LLP on 30 May 2014.

### Group structure

These financial statements consolidate the financial statements of the LLP, being a UK limited liability partnership with overseas branches in Spain, Belgium and Germany, and the results of the Group for the year ended 30 April 2015. The LLP's principal subsidiary undertakings as at 30 April 2015 are set out in note 19. A list of current offices of the Group as of the date of this report is shown on page 36.

The LLP changed its name to Squire Patton Boggs (UK) LLP upon the combination of the Squire Sanders and Patton Boggs law firm networks which took place on 1 June 2014.

The LLP is in a combination with Squire Patton Boggs (US) LLP, a legal firm based in the United States, and Squire Patton Boggs (AU) GP, a legal firm based in Australia. The parties operate under the trading name of Squire Patton Boggs, within a Swiss Verein structure with joint aims, but with separate control.

With effect from 31 August 2014, Squire Patton Boggs MENA LLP (formerly known as Squire Sanders MENA LLP) a subsidiary of the Group, ceased its association with Al-Enezee, a legal practice operating in the Kingdom of Saudi Arabia. The parties which operate within the Swiss Verein structure will continue with an existing association with Al-Thebity, a legal practice operating in the Kingdom of Saudi Arabia. Squire Patton Boggs MENA LLP will continue in its principal activity of the provision of legal services in the Middle East and North Africa.

### Principal activities

The principal activity of the Group is the provision of legal services in Europe and the Middle East. Results derive from continuing activities.

### Partners/members

The term partner in this document is used to refer to a member of the LLP, or an employee or consultant with equivalent standing and qualifications, or an individual with equivalent status in one of the LLP's subsidiary

undertakings. The term member in this document is used to refer only to a member of the LLP.

### Designated members and Management Committee

The designated members (as defined in the Limited Liability Partnerships Act 2000) of the LLP during the year and up to the date of the signing of the financial statements were:

Peter Crossley  
Rafael Alonso  
Jonathan Jones  
Robert Weekes  
David Hull

The development and implementation of policies and strategy and the co-ordination of management and overall direction of the Group are the responsibility of the Management Committee. The Management Committee comprises the following:

Peter Crossley	Managing Partner & Designated Member
Charles Fabry	Member
James Maiwurm	Chairman (term expired 31 December 2014)
Simon Miller	Member
Mark Ruehlmann	Chairman (from 1 January 2015)
Robert Weekes	Designated Member (term expired 31 December 2014)

The Chairman holds his position ex-officio, being Chairman of the Swiss Verein referred to above. The Managing Partner is elected by the partners for a period of three years. Two partners are co-opted onto the Management Committee for a period of four years. The Management Committee meets regularly during the year, rotating meetings between offices of the Group.

Overall responsibility for the key support functions rests with the directors. At 30 April 2015 the directors were:

George Gazdick	Global Chief Information Officer
Jane Koehl	Global Chief Operations Officer
William Kwiatkowski	Global Chief Administration Officer (retired 30 June 2015)
Michael McKenna	Global Chief Financial Officer
Patricia Walsh	Global Chief Human Resources Officer
Isabelle Young	Global Chief Business Development Officer

# Squire Patton Boggs (UK) LLP

## Report to the Members (continued)

### Principal risks and uncertainties

The principal risks and uncertainties that affect the financial results of the Group are the changing nature of the legal services sector and the continuing economic outlook

The Group's main financial risk relates to the collectability of client receivables

### Financing and the subscription and repayment of members' capital

The Group is financed through a combination of members' capital, undistributed profits and borrowing facilities spread across a number of banks

The total amount of members' capital contributions is determined by the Management Committee, having regard to the requirements of the Group. Individual members' capital contributions are set by reference to the profit sharing ratio, and are repayable at par, following the member's retirement

Bank facilities are maintained at levels sufficient to meet the expected peak cash requirements of the Group. The Management Committee is satisfied that the facilities will be renewed at levels which will maintain prudent headroom over our forecast peak borrowing requirements over the next twelve months

### Members' profit shares

Members are remunerated out of the profits of the Group and are personally responsible for funding pensions and other benefits. Profit sharing ratios for members are determined by the Management Committee and are set on a calendar year basis. The highest paid member for the year to 31 December 2015 is estimated to receive a profit share of £725,000. The award to the highest paid member for the financial year ended 30 April 2015 is disclosed in the notes to the financial statements. Unallocated profits are included in other reserves within members' other interests

### Profit allocation and members' drawings

Profits are allocated as and when it is determined that sufficient profit is available. The final allocation of profits to those who were members during the financial year occurs following the finalisation of the annual financial statements of the Group. An interim profit allocation was approved during April 2015

During the year, members receive monthly drawings and, from time to time, additional profit distributions. The level and timing of the additional distributions is decided by the Management Committee, taking into account the cash requirements of the Group for operating and investing activities. The monthly drawings represent payments on account of current year profits and are repayable by members until profits have been declared. Any over-distribution of profits during the year is also repayable by members

### Staff

Squire Patton Boggs is committed to equal opportunities. Its people are diverse and are chosen for their experience, potential and personal attributes regardless of gender, sexual orientation, marital status, age, race, colour, nationality, ethnic origin, religion or disability. With regard to individuals who become disabled, the policy is to take all reasonable steps, including retraining, to ensure that they can remain in employment wherever practicable

Squire Patton Boggs places significant value on the views of its staff and staff representatives are consulted regularly on matters affecting their interests. All staff are kept informed of developments in the business which might affect them

### Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations") requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the Group and LLP financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to limited liability partnerships the members 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 Group and the LLP and of the profit or loss of the LLP and Group for that period. In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,

## Squire Patton Boggs (UK) LLP

### Report to the Members (continued)

- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP and Group will continue in business

These responsibilities are fulfilled by the Management Committee on behalf of the members. The Management Committee confirms that, to the best of its knowledge, it has complied with the above requirements in preparing the financial statements.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006 as applied to limited liability partnerships by the Regulations. They are also responsible for safeguarding the assets of

the LLP and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Independent Auditors

The independent auditors of Squire Patton Boggs (UK) LLP are PricewaterhouseCoopers LLP, who will be proposed for reappointment.

On behalf of the Management Committee



Member

15 October 2015



Member

15 October 2015

# Squire Patton Boggs (UK) LLP

## Independent auditors' report to the Members of Squire Patton Boggs (UK) LLP

### Report on the financial statements

#### Our opinion

In our opinion, Squire Patton Boggs (UK) LLP's group financial statements and limited liability partnership financial statements (the "financial statements")

- give a true and fair view of the state of the group's and of the limited liability partnership's affairs as at 30 April 2015 and of the group's and the limited liability partnership's profit and the group's cash flows 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008

#### What we have audited

The financial statements comprise

- the Balance sheets as at 30 April 2015,
- the Consolidated profit and loss account, the LLP profit and loss account and the Consolidated statement of total recognised gains and losses for the year then ended,
- the Consolidated cash flow statement for the year then ended,
- the accounting policies, and
- the notes to the financial statements, which include other explanatory information

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

In applying the financial reporting framework, the members have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events

Other matters on which we are required to report by exception

#### Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 as applicable to limited liability partnerships 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 limited liability partnership, or returns adequate for our audit have not been received from branches not visited by us, or
- the limited liability partnership financial statements are not in agreement with the accounting records and returns

We have no exceptions to report arising from this responsibility Responsibilities for the financial statements and the audit

#### Our responsibilities and those of the members

As explained more fully in the Statement of members' responsibilities in respect of the financial statements set out on page 2, the members 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) ("ISAs (UK & Ireland)") Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

## Squire Patton Boggs (UK) LLP

### Independent auditors' report to the Members of Squire Patton Boggs (UK) LLP (continued)

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, 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.

#### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 group's and the limited liability partnership's circumstances and have been consistently applied and adequately disclosed,
- the reasonableness of significant accounting estimates made by the members, and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the members' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Members' Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



David Thurkettle (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Sheffield

15 October 2015

## Squire Patton Boggs (UK) LLP

### Consolidated profit and loss account for the year ended 30 April 2015

	Note	2015 £'000	2014 £'000
Turnover	1	126,187	119,957
Operating costs	2	(90,394)	(87,080)
Operating profit		35,793	32,877
Net interest payable	5	(540)	(452)
Profit on ordinary activities before taxation	4	35,253	32,425
Tax on profit on ordinary activities in corporate subsidiaries	6	(679)	(209)
Profit for the financial year before members' remuneration and profit shares		34,574	32,216
Members' remuneration charged as an expense	7	(302)	(356)
Profit for the financial year available for discretionary division among members	14	34,272	31,860

All figures above relate to the principal activities of the Group

All items dealt with in arriving at operating profit above relate to continuing operations

There is no material difference between the profit for the financial year available for discretionary division amongst members stated above and the historical cost equivalent

## Squire Patton Boggs (UK) LLP

### LLP profit and loss account for the year ended 30 April 2015

	Note	2015 £'000	2014 £'000
Turnover	1	115,854	110,364
Operating costs	2	(81,975)	(78,492)
Operating profit		33,879	31,872
Net interest payable	5	(532)	(457)
Profit on ordinary activities before taxation	4	33,347	31,415
Tax on profit on ordinary activities in corporate subsidiaries	6	-	-
Profit for the financial year before members' remuneration and profit shares		33,347	31,415
Members' remuneration charged as an expense	7	(296)	(350)
Profit for the financial year available for discretionary division among members	14	33,051	31,065

All figures above relate to the principal activities of the LLP

All items dealt with in arriving at operating profit above relate to continuing operations

There is no material difference between the profit for the financial year available for discretionary division amongst members stated above and the historical cost equivalent



## Squire Patton Boggs (UK) LLP

### Consolidated statement of total recognised gains and losses for the year ended 30 April 2015

	Note	2015 £'000	2014 £'000
Profit for the financial year available for discretionary division among members	14	34,272	31,860
Net exchange adjustment		(1,379)	(437)
<b>Total recognised gains and losses for the year available for discretionary division among members</b>		<b>32,893</b>	<b>31,423</b>

## Squire Patton Boggs (UK) LLP

### Balance sheets as at 30 April 2015

	Note	Group		LLP	
		2015 £'000	2014 £'000	2015 £'000	2014 £'000
<b>Fixed assets</b>					
Investments	8	31	31	348	348
Tangible assets	9	6,765	8,182	6,638	8,042
		<b>6,796</b>	<b>8,213</b>	<b>6,986</b>	<b>8,390</b>
<b>Current assets</b>					
Work in progress		3,057	2,267	2,820	2,070
Debtors	10	67,597	56,823	67,719	53,720
Cash at bank and in hand		10,138	7,557	5,675	4,868
		<b>80,792</b>	<b>66,647</b>	<b>76,214</b>	<b>60,658</b>
<b>Creditors amounts falling due within one year</b>	11	<b>(49,268)</b>	<b>(39,043)</b>	<b>(46,775)</b>	<b>(36,627)</b>
<b>Net current assets</b>		<b>31,524</b>	<b>27,604</b>	<b>29,439</b>	<b>24,031</b>
<b>Total assets less current liabilities</b>		<b>38,320</b>	<b>35,817</b>	<b>36,425</b>	<b>32,421</b>
<b>Provisions for liabilities</b>	13	<b>(6,660)</b>	<b>(6,644)</b>	<b>(6,660)</b>	<b>(6,644)</b>
<b>Net assets attributable to members</b>		<b>31,660</b>	<b>29,173</b>	<b>29,765</b>	<b>25,777</b>
<b>Represented by</b>					
<b>Loans and other debts due to members</b>					
Members' capital classified as a liability	14	15,372	14,425	15,372	14,425
Other amounts	14	3,018	3,832	10,017	8,819
		<b>18,390</b>	<b>18,257</b>	<b>25,389</b>	<b>23,244</b>
<b>Members' other interests</b>					
Other reserves classed as equity	14	13,270	10,916	4,376	2,533
		<b>31,660</b>	<b>29,173</b>	<b>29,765</b>	<b>25,777</b>

## Squire Patton Boggs (UK) LLP

### Total members' interests as at 30 April 2015

	Note	Group		LLP	
		2015	2014	2015	2014
		£'000	£'000	£'000	£'000
Members' capital classified as a liability	14	15,372	14,425	15,372	14,425
Members' capital debtor	10	(1,221)	(3,264)	(1,221)	(3,264)
Loans and other debts due from members	10	(1,043)	(889)	(1,043)	(889)
Loans and other debts due to members	14	3,018	3,832	10,017	8,819
Other reserves	14	13,270	10,916	4,376	2,533
<b>Total members' interests</b>	<b>14</b>	<b>29,396</b>	<b>25,020</b>	<b>27,501</b>	<b>21,624</b>

The financial statements on pages 6 to 36 were approved by the Members of Squire Patton Boggs (UK) LLP on

15 October 2015 and were signed on their behalf by

  
Member

Peter Crossley

  
Member

Jonathan Jones

## Squire Patton Boggs (UK) LLP

### Consolidated cash flow statement for the year ended 30 April 2015

	Note	2015 £'000	2014 £'000
Net cash inflow from operating activities	15	28,818	32,685
Returns on investments and servicing of finance	16	(431)	(490)
Taxation in relation to corporate entities		(441)	(256)
Capital expenditure and financial investment	16	(682)	(716)
Transactions with members and former members	16	(31,079)	(29,511)
Net cash (outflow) / Inflow before financing		(3,815)	1,712
(Decrease) / Increase in net cash in the year	17	(3,815)	1,712

### Reconciliation to net debt

	Note	2015 £'000	2014 £'000
Net debt at 1 May		(7,737)	(9,323)
Change in net debt resulting from cash flows		(3,815)	1,712
Exchange adjustments	17	(475)	(126)
Net debt at 30 April	17	(12,027)	(7,737)

# Squire Patton Boggs (UK) LLP

## Statement of accounting policies

### Basis of accounting

These financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 as applied to Limited Liability Partnerships and applicable standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting by Limited Liability Partnerships".

### Basis of consolidation

The consolidated financial statements include the financial statements of the UK, its branches and subsidiaries for the financial year ended 30 April 2015. The Group comprises the UK operation, its branches (Belgium, Germany and Spain), trustee companies and inactive subsidiaries, a SELARL entity in France and a UK limited liability partnership servicing the Middle East and North Africa. Consistent accounting policies are applied across the Group.

### Revenue recognition

Fee income represents revenue earned under a wide variety of contracts to provide professional services during the year, excluding sales tax and third party invoiced disbursements. Revenue is recognised when it is judged that the stage of completion of the contract, the amount to be received and the costs incurred and to complete the contract, can be measured reliably and it is probable the revenue will be received. It is measured by reference to the stage of completion of the contract at the estimated fair value of the right to consideration.

Revenue is generally recognised as contract activity progresses, although when it is contingent on an event outside the control of the firm it is typically recognised when the contingent event occurs. Revenue not billed to clients is included in amounts recoverable on contract.

### Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on assets, on cost or written down values, over the estimated useful lives of the assets. Additions are depreciated from the month of purchase and disposals are depreciated up to the month of disposal. The UK rates of depreciation are as follows:

Leasehold property improvements	- 10% on cost per annum or over the life of the lease
Fittings, furnishings and equipment	- 10% to 25% on cost per annum
Motor vehicles	- 25% per annum on reducing balance

Non-UK depreciation rates vary in accordance with local tax rules and are broadly in line with the UK accounting rates.

Repairs and maintenance costs are charged to the profit and loss as incurred.

### Investments in subsidiary undertakings

Investments are included at historic cost less any provision for impairment.

### Leases

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the firm, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under leases are included in the balance sheet as liabilities. The interest elements of the rental obligations are charged in the profit and loss account over the period of the leases and represent a constant proportion of the balance of capital repayments outstanding.

Rentals payable under operating leases are charged in the income statement on a straight-line basis over the lease term. Increases in annual rentals following rent reviews are recognised over the remaining lease term from the time they take effect. Lease incentives are recognised as a reduction of rental expense over the contracted lease term.

### Trade debtors

Provision is made for unpaid bills and unbilled disbursements not considered recoverable at the balance sheet date.

# Squire Patton Boggs (UK) LLP

## Statement of accounting policies (continued)

### Provision for liabilities

In common with comparable practices, the LLP may be involved in disputes in the ordinary course of business which may give rise to claims. Provision is made in the financial statements on a prudent basis for all claims where costs are likely to be incurred in relation to the costs of defending and concluding claims. The LLP carries professional indemnity insurance and no separate disclosure is made of the costs of the claims covered by insurance as to do so could seriously prejudice the position of the LLP.

Provision is made for the estimated current costs of reinstatement in respect of the various properties leased by the LLP where there is a contractual requirement to return the premises to their original state prior to the conclusion of the lease term.

Provision is made for the unavoidable costs of fulfilling obligations for future rental payments on vacant properties. This is calculated as the present value of lease commitments in respect of surplus property after allowance for anticipated sublet rental income. Present value is based on discounted future cash flows.

### Pensions and other post retirement benefits

Employee pension costs relating to the LLP's defined contribution Group Workers Pension Scheme are charged to the profit and loss account when they become payable.

Members are able to make their own provision for pensions and do so through either contribution to personal pension policies and other appropriate investments, or via the Group Workers Pension Scheme.

Retiring members may be eligible for continued service under consultancy arrangements, these are recognised in the profit and loss account at the time those services are provided.

### Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Movements on monetary assets and liabilities denominated in foreign currencies are translated using the rates of exchange prevailing at the balance sheet date. Gains and losses occurring on translation of transactions are charged to profit and loss.

Non-UK jurisdiction balance sheets are translated for the purposes of consolidation using the closing exchange rate

and profit and loss accounts are translated for the purposes of consolidation using the average exchange rate for the financial year.

Exchange differences arising from the retranslation of the opening net assets of subsidiaries which have currencies of operation other than sterling are taken to other reserves within Members' interests, together with the differences arising when the profit and loss accounts are translated at average rates and compared to the rates ruling at the year end.

### Capital

Loans and other debts due to members include Members' capital classed as a liability in accordance with FRS 25.

### Allocation of profits and drawings

Where members retire during the year all capital, taxation, drawings and current account balances, together with any interim profits distributed to members are included under sundry creditors as amounts due to former members.

Members who retire on the last day of the financial year are included in Members' other interests. Capital obligations due from members who are admitted during the financial year are recorded in sundry debtors, until satisfied.

The final allocation of profits and distribution to members is made once the annual financial statements are approved. Unallocated profits are included in other reserves within members' other interests.

### Taxation

Income tax payable on the Group and LLP profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements.

A provision for income tax payable by reference to the Group accounting profits is made for each individual member during the financial year. The provisions are included in loans and other debts due to/(from) members within Members' interests. The reserve is reviewed on a periodic basis after finalisation of the year under review.

The worldwide members are subject to tax laws prevailing in the local jurisdictions within which the Group operates.

## **Squire Patton Boggs (UK) LLP**

### **Statement of accounting policies (continued)**

The French subsidiary dealt with in the consolidated financial statements is subject to corporation tax based on the profits for the financial year

Revenue and charges in respect of the provision of professional services in Spain are subject to withholding tax

### **Related Party Transactions**

FRS8 'Related Party Disclosures' requires the disclosure of the details of material transactions between the reporting entity and related parties. Transactions between entities within the Group have not been disclosed in accordance with the exemption in FRS8 'Related Party Disclosures' paragraph 3

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015

#### 1 Turnover

Turnover relates wholly to the provision of legal services

A geographical analysis of turnover is set out below

	Group		LLP	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
UK	107,990	100,885	107,990	100,885
Continental Europe	17,507	18,033	7,864	9,479
Middle East	690	1,039	-	-
	<b>126,187</b>	<b>119,957</b>	<b>115,854</b>	<b>110,364</b>

Geographical analysis is based on the country of origin. This analysis would not be materially different if based on the country of destination.

#### 2 Operating costs

	Group		LLP	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Staff costs (note 3)	56,285	53,399	50,254	47,342
Depreciation (note 4)	2,037	1,840	1,992	1,789
Other operating charges	32,072	31,841	29,729	29,361
	<b>90,394</b>	<b>87,080</b>	<b>81,975</b>	<b>78,492</b>



## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 3 Staff costs

	Group		LLP	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Salaries & Social Security	40,677	39,008	36,121	34,565
Other pension costs (note 18)	1,398	1,310	1,314	1,229
Recruitment fees	966	837	932	803
Consultant costs	13,244	12,244	11,887	10,745
	56,285	53,399	50,254	47,342

The average monthly number of employees and self-employed practitioners (excluding consultants and members) during the year was

Group	2015	2014
	Number	Number
Fee earners	379	395
Trainees	47	53
Support staff	344	364
	770	812

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 4 Profit on ordinary activities before taxation

	Group		LLP	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
<hr/>				
Profit on ordinary activities before taxation is stated after charging				
Depreciation of tangible fixed assets (note 9)				
- owned assets	2,037	1,840	1,992	1,789
Loss on disposal of tangible fixed assets	2	8	2	8
Operating lease rentals				
- for land and buildings	8,775	9,552	8,206	8,901
- other	315	210	298	200
Fees payable to LLP auditor for the audit of the LLP and consolidated financial statements	125	133	114	123
Fees payable to LLP auditor and its associates for other services				
- Tax services	264	283	264	283
- Other assurance services	124	60	122	60
Diminution in asset values associated with change in association of subsidiary entity	-	234	-	-
<hr/>				

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 5 Net interest payable

	Group		LLP	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Interest payable and similar charges				
- on bank loans and overdrafts	(452)	(472)	(426)	(464)
- paid to clients	(46)	(79)	(46)	(79)
Interest receivable and similar income	67	84	49	71
	(431)	(467)	(423)	(472)
Unwinding of discount in provisions (note 13)	(109)	15	(109)	15
	(540)	(452)	(532)	(457)

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 6 Tax on profit on ordinary activities in corporate subsidiaries

The financial statements do not incorporate any charge or liability for taxation on the results of the LLP or partnerships within the Group, as the relevant income tax is the responsibility of the individual members

The tax charge, which arises in the corporate entities, included within these financial statements is

<b>Group</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Overseas corporation tax		
- current year	<b>679</b>	<b>209</b>

The current tax assessed for the year is higher than (2014 lower than) the standard rate of corporation tax in the UK at 20% (2014 23%) The reasons are explained below

<b>Group</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Profit from ordinary activities of corporate entities before tax (after salaried remuneration of members)	<b>2,491</b>	<b>1,989</b>
Tax at UK standard rate of 20% (2014 23%)	<b>498</b>	<b>457</b>
Adjustment in respect of prior year	<b>(13)</b>	<b>(159)</b>
Adjustment in respect of foreign taxes	<b>194</b>	<b>(89)</b>
<b>Total current tax charge</b>	<b>679</b>	<b>209</b>

There is no tax charge in the LLP (2014 Nil)

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 7 Members' remuneration

Members' remuneration charged as an expense comprises

	Group		LLP	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Remuneration paid under employment contracts and other contractual arrangements	275	330	269	324
Social security costs	19	19	19	19
Other pension costs	8	7	8	7
	<b>302</b>	<b>356</b>	<b>296</b>	<b>350</b>

The average monthly number of members during the year was

	2015	2014
	Number	Number
Equity members	52	51
Fixed share equity members	76	79
	<b>128</b>	<b>130</b>

The basis on which profits are shared among members is set out in the statement of accounting policies on page 13  
The profit attributable to the member with the largest entitlement to profit is £739,000 (2014: £692,000)

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 8 Investments

	<b>Group</b>	<b>LLP</b>	<b>LLP</b>	<b>LLP</b>
	<b>Other</b>	<b>Other</b>	<b>Group</b>	<b>Total</b>
	<b>Investments</b>	<b>Investments</b>	<b>Interests</b>	<b>Investments</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost or valuation</b>				
At 1 May 2014 and 30 April 2015	31	31	1,095	1,126
<b>Amounts written off</b>				
At 1 May 2014 and 30 April 2015	-	-	778	778
<b>Net book amount</b>				
At 30 April 2015	31	31	317	348
At 30 April 2014	31	31	317	348

Investments are stated at cost less provision for impairment. A list of the principal subsidiary undertakings is given in note 19. The members believe that the carrying value of the investments is supported by their underlying net assets.

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 9 Tangible fixed assets

Group	Leasehold property improvements	Fittings, furnishings and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 May 2014	17,324	39,802	125	57,251
Exchange adjustments	(64)	(140)	-	(204)
Additions	290	392	-	682
Disposals	-	(38)	(18)	(56)
<b>At 30 April 2015</b>	<b>17,550</b>	<b>40,016</b>	<b>107</b>	<b>57,673</b>
<b>Accumulated Depreciation</b>				
At 1 May 2014	14,281	34,674	114	49,069
Exchange adjustments	(36)	(108)	-	(144)
Charge for the year	806	1,228	3	2,037
Disposals	-	(38)	(16)	(54)
<b>At 30 April 2015</b>	<b>15,051</b>	<b>35,756</b>	<b>101</b>	<b>50,908</b>
<b>Net book value</b>				
<b>At 30 April 2015</b>	<b>2,499</b>	<b>4,260</b>	<b>6</b>	<b>6,765</b>
At 30 April 2014	3,043	5,128	11	8,182

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

LLP	Leasehold property improvements	Fittings, furnishings and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
At 1 May 2014	17,324	39,210	125	56,659
Exchange adjustments	(62)	(70)	-	(132)
Additions	290	343	-	633
Disposals	-	-	(18)	(18)
<b>At 30 April 2015</b>	<b>17,552</b>	<b>39,483</b>	<b>107</b>	<b>57,142</b>
<b>Accumulated Depreciation</b>				
At 1 May 2014	14,281	34,222	114	48,617
Exchange adjustments	(35)	(53)	-	(88)
Charge for the year	806	1,183	3	1,992
Disposals	-	-	(17)	(17)
<b>At 30 April 2015</b>	<b>15,052</b>	<b>35,352</b>	<b>100</b>	<b>50,504</b>
<b>Net Book Value</b>				
<b>At 30 April 2015</b>	<b>2,500</b>	<b>4,131</b>	<b>7</b>	<b>6,638</b>
At 30 April 2014	3,043	4,988	11	8,042

Group and LLP capital commitments contracted but not provided at 30 April 2015 amounted to £3,046,000 (2014 £100,000)



## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 10 Debtors

	Group		LLP	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
<b>Amounts falling due within one year</b>				
Trade debtors	41,298	36,800	38,281	33,089
Amounts recoverable on contracts	3,607	4,270	2,948	3,665
Amounts due from group undertakings	-	-	4,354	1,580
Amounts due from members	2,264	4,153	2,264	4,153
Sundry debtors and prepaid expenses	20,428	11,600	19,872	11,233
	<b>67,597</b>	<b>56,823</b>	<b>67,719</b>	<b>53,720</b>

#### 11 Creditors – amounts falling due within one year

	Group		LLP	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Bank loans and overdrafts	22,165	15,294	22,165	15,294
Trade creditors	10,325	8,528	9,759	8,319
Taxation and social security	4,611	4,148	4,183	3,796
Corporation tax	537	395	-	-
Sundry creditors and accrued expenses	11,630	10,678	10,668	9,218
	<b>49,268</b>	<b>39,043</b>	<b>46,775</b>	<b>36,627</b>

Bank loans and overdrafts are unsecured and are repayable on demand

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 12 Commitments under operating leases

The Group's annual commitments under non-cancellable operating leases are as follows

	Group		LLP	
	2015	2014	2015	2014
Operating leases which expire	£'000	£'000	£'000	£'000
<b>Land and buildings</b>				
Within one year	968	196	968	196
Between two and five years	6,337	3,517	6,337	3,517
After five years	3,121	6,888	2,554	6,289
	10,426	10,601	9,859	10,002
<b>Other</b>				
Within one year	7	-	7	-
Between two and five years	293	293	293	293
	300	293	300	293
<b>Total</b>	<b>10,726</b>	<b>10,894</b>	<b>10,159</b>	<b>10,295</b>

#### 13 Provisions for liabilities

Group and LLP	Other provisions
	£'000
At 1 May 2014	6,644
Utilised during the year	(2,779)
Charged to profit and loss account	2,904
Unwinding of discount	(109)
<b>At 30 April 2015</b>	<b>6,660</b>

## **Squire Patton Boggs (UK) LLP**

### **Notes to the financial statements for the year ended 30 April 2015 (continued)**

#### **13 Provisions for liabilities (continued)**

Other provisions include provisions made in respect of reinstatement of leasehold property, vacant properties and client claims

##### **Vacant properties**

A provision has been recognised for obligations under property leases which are onerous. The provision has been estimated using costs which have been discounted to present value at a rate of 1.835% (2014: 2.668%). The provision covers residual lease commitments up to the end of the lease and is after allowance for existing or anticipated sublet rental income.

##### **Reinstatement of leasehold property**

Leases for certain properties which the LLP occupies contain a requirement for the premises to be returned to their original state prior to conclusion of the lease term. Provision has been made for these amounts based on reports by property consultants and is based on current cost of reinstatement.

Because of the current property negotiations, the provisions in respect of reinstatement are of a highly commercially sensitive nature, and as such the LLP has taken advantage of the provisions of FRS 12 not to separately disclose the provision above. All amounts provided for under other provisions are expected to be utilised over the next 10 years.

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 14 Members' interests

Group	Loans and other debts due to/(from) members				
	Members' capital (classified as liability)	Other amounts (classified as liability)	Total	Other reserves (classified as equity)	Total
	£'000	£'000	£'000	£'000	£'000
<b>Members' interests at 1 May 2013</b>	<b>12,738</b>	<b>3,536</b>	<b>16,274</b>	<b>9,574</b>	<b>25,848</b>
Remuneration of salaried members, including employment and retirement benefit costs	-	356	356	-	356
Profit for the financial year ended 30 April 2014 available for discretionary division among members	-	-	-	31,860	31,860
<b>Members' interests after profit for the year</b>	<b>12,738</b>	<b>3,892</b>	<b>16,630</b>	<b>41,434</b>	<b>58,064</b>
Allocated profit	-	30,035	30,035	(30,035)	-
Capital introduced by members	3,594	-	3,594	-	3,594
Capital debtor	(3,264)	-	(3,264)	-	(3,264)
Repayments of capital	(1,928)	-	(1,928)	-	(1,928)
Transfer of former members' funds to current liabilities	-	(1,852)	(1,852)	-	(1,852)
Drawings and distributions	-	(29,132)	(29,132)	-	(29,132)
Other movement on reserves	-	-	-	(25)	(25)
Net exchange adjustment	21	-	21	(458)	(437)
<b>Members' interests at 30 April 2014</b>	<b>11,161</b>	<b>2,943</b>	<b>14,104</b>	<b>10,916</b>	<b>25,020</b>

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

Group	Loans and other debts due to/(from) members			Other reserves classified as equity £'000	Total £'000
	Members' capital (classified as liability) £'000	Other amounts (classified as liability) £'000	Total £'000		
<b>Members' interests at 1 May 2014</b>	<b>11,161</b>	<b>2,943</b>	<b>14,104</b>	<b>10,916</b>	<b>25,020</b>
Remuneration of salaried members, including employment and retirement benefit costs	-	302	302	-	302
Profit for the financial year ended 30 April 2015 available for discretionary division among members	-	-	-	34,272	34,272
<b>Members' interests after profit for the year</b>	<b>11,161</b>	<b>3,245</b>	<b>14,406</b>	<b>45,188</b>	<b>59,594</b>
Allocated profit	-	30,568	30,568	(30,568)	-
Capital introduced by members	2,020	-	2,020	-	2,020
Capital debtor	2,043	-	2,043	-	2,043
Repayments of capital	(1,022)	-	(1,022)	-	(1,022)
Transfer of former members' funds to current liabilities	-	(945)	(945)	-	(945)
Drawings and distributions	-	(30,893)	(30,893)	-	(30,893)
Other movement on reserves	-	-	-	(22)	(22)
Net exchange adjustment	(51)	-	(51)	(1,328)	(1,379)
<b>Members' interests at 30 April 2015</b>	<b>14,151</b>	<b>1,975</b>	<b>16,126</b>	<b>13,270</b>	<b>29,396</b>

"Other amounts" included within Loans and other debts due to / (from) members represent allocated profits not yet paid to members. The basis on which profits are allocated is described in the statement of accounting policies on page 13.

In the event of a winding up or administration, members' capital ranks behind all amounts due to unsecured creditors.

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

LLP	Loans and other debts due to/(from) members				
	Members' capital (classified as liability)	Other amounts (classified as liability)	Total	Other reserves classified as equity	Total
	£'000	£'000	£'000	£'000	£'000
<b>Members' interests at 1 May 2013</b>	<b>12,737</b>	<b>6,699</b>	<b>19,436</b>	<b>1,742</b>	<b>21,178</b>
Remuneration of salaried members, including employment and retirement benefit costs	-	350	350	-	350
Profit for the financial year ended 30 April 2014 available for discretionary division among members	-	-	-	31,065	31,065
<b>Members' interests after profit for the year</b>	<b>12,737</b>	<b>7,049</b>	<b>19,786</b>	<b>32,807</b>	<b>52,593</b>
Allocated profit	-	30,035	30,035	(30,035)	-
Capital introduced by members	3,594	-	3,594	-	3,594
Capital debtor	(3,264)	-	(3,264)	-	(3,264)
Repayments of capital	(1,928)	-	(1,928)	-	(1,928)
Transfer of former members' funds to current liabilities	-	(1,853)	(1,853)	-	(1,853)
Drawings and distributions	-	(27,304)	(27,304)	-	(27,304)
Other movement on reserves	-	-	-	(25)	(25)
Net exchange adjustment	22	-	22	(211)	(189)
<b>Members' interests at 30 April 2014</b>	<b>11,161</b>	<b>7,927</b>	<b>19,088</b>	<b>2,536</b>	<b>21,624</b>

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

LLP	Loans and other debts due to/(from) members				
	Members' capital (classified as liability)	Other amounts (classified as liability)	Total	Other reserves classified as equity	Total
	£'000	£'000	£'000	£'000	£'000
<b>Members' interests at 1 May 2014</b>	<b>11,161</b>	<b>7,927</b>	<b>19,088</b>	<b>2,536</b>	<b>21,624</b>
Remuneration of salaried members, including employment and retirement benefit costs	-	296	296	-	296
Profit for the financial year ended 30 April 2015 available for discretionary division among members	-	-	-	33,051	33,051
<b>Members' interests after profit for the year</b>	<b>11,161</b>	<b>8,223</b>	<b>19,384</b>	<b>35,587</b>	<b>54,971</b>
Allocated profit	-	30,568	30,568	(30,568)	-
Capital introduced by members	2,020	-	2,020	-	2,020
Capital debtor	2,043	-	2,043	-	2,043
Repayments of capital	(1,022)	-	(1,022)	-	(1,022)
Transfer of former members' funds to current liabilities	-	(945)	(945)	-	(945)
Drawings and distributions	-	(28,872)	(28,872)	-	(28,872)
Other movement on reserves	-	-	-	(23)	(23)
Net exchange adjustment	(51)	-	(51)	(620)	(671)
<b>Members' interests at 30 April 2015</b>	<b>14,151</b>	<b>8,974</b>	<b>23,125</b>	<b>4,376</b>	<b>27,501</b>

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 15 Reconciliation of operating profit to net cash inflow from operating activities

	Group	Group
	2015	2014
	£'000	£'000
Operating profit	35,793	32,877
Depreciation	2,037	1,840
Loss on sale of tangible fixed assets and investments	2	8
(Increase)/ decrease in work in progress	(790)	342
Increase in debtors	(10,774)	(932)
Increase/ (decrease) in creditors	3,212	(849)
Decrease in provisions less unwinding of discount	(125)	(466)
Exchange adjustments	(537)	(135)
<b>Net cash inflow from operating activities</b>	<b>28,818</b>	<b>32,685</b>



## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 16 Analysis of cash flows

	Group	Group
	2015	2014
	£'000	£'000
<b>Returns on investments and servicing of finance</b>		
Interest received	67	84
Interest paid	(498)	(574)
	<b>(431)</b>	<b>(490)</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(682)	(761)
Sale of tangible fixed assets	-	45
	<b>(682)</b>	<b>(716)</b>
<b>Transactions with members and former members</b>		
Drawings and distributions		
- to members	(30,953)	(29,152)
- to former members	(945)	(1,853)
Salaried remuneration of members	(179)	(172)
Capital contributions by members	2,020	3,594
Capital repayments to members	(1,022)	(1,928)
	<b>(31,079)</b>	<b>(29,511)</b>

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 17 Analysis of net debt

Group	At 1 May 2014	Cash flow	Exchange adjustments	At 30 April 2015
	£'000	£'000	£'000	£'000
Cash at bank and in hand	7,557	3,056	(475)	10,138
Bank overdrafts	(15,294)	(6,871)	-	(22,165)
<b>Net debt</b>	<b>(7,737)</b>	<b>(3,815)</b>	<b>(475)</b>	<b>(12,027)</b>

#### 18 Pension costs

The Group operates a defined contribution group personal pension plan

The total amount of the Group contribution during the year was £1,398,000 (2014 £1,310,000) The LLP contribution during the year was £1,314,000 (2014 £1,229,000)

Amounts outstanding at the balance sheet date for the Group and LLP were £220,000 (2014 £200,000)

## Squire Patton Boggs (UK) LLP

### Notes to the financial statements for the year ended 30 April 2015 (continued)

#### 19 Subsidiary undertakings

The financial statements consolidate the results and financial position of the Group, including the principal subsidiary undertakings listed below

Companies	Principal activity	Country of incorporation
Hausmann Associates <sup>2</sup>	Provision of legal services	France
Squire Patton Boggs MENA LLP <sup>2</sup>	Provision of legal services	England and Wales
Trinity Park Trustees Limited <sup>1</sup>	Providing independent pension trustee services	England and Wales
Devonshire Trustees Limited <sup>1</sup>	Providing independent pension trustee services	England and Wales
Squire Patton Boggs Park Lane Limited <sup>1</sup>	Dormant	England and Wales
Trustee Corporation Limited <sup>1</sup>	Providing independent pension trustee services	England and Wales
Hammonds (UK Partnership) <sup>2</sup>	Dormant	England and Wales

Squire Patton Boggs (UK) LLP or one of its subsidiary undertakings holds 100% of the beneficial interest in the subsidiary undertakings, through either

<sup>1</sup> share ownership

<sup>2</sup> contractual arrangements

## **Squire Patton Boggs (UK) LLP**

### **Notes to the financial statements for the year ended 30 April 2015 (continued)**

#### **20 Contingent liabilities**

In the ordinary course of business, the LLP from time to time receives claims for alleged professional negligence. Professional indemnity cover is maintained in respect of professional negligence through the commercial market. The Group's policy with regard to claims is described in the statement of accounting policies.

#### **21 Ultimate controlling parties and related party disclosure**

The ultimate controlling parties of the Group and its subsidiary undertakings are the members of Squire Patton Boggs (UK) LLP.

The Group has taken advantage of an exemption from obligation to disclose any transactions or balances between related parties eliminated on consolidation under FRS 8 'Related Party Disclosures' paragraph 3.

# Squire Patton Boggs (UK) LLP

## Office addresses

### United Kingdom

#### Squire Patton Boggs (UK) LLP

Rutland House  
148 Edmund Street  
Birmingham B3 2JR

2 Park Lane  
Leeds  
LS3 1ES

7 Devonshire Square  
Cutlers Gardens  
London EC2M 4YH

Trinity Court  
16 John Dalton Street  
Manchester M60 8HS

#### Squire Patton Boggs MENA LLP

7 Devonshire Square  
Cutlers Gardens  
London EC2M 4YH

### Europe

#### Squire Patton Boggs (UK) LLP

**Belgium**  
Avenue Lloyd George 7  
1000 Brussels  
Belgium

**Spain**  
Plaza Marques de Salamanca 3-4  
28006 Madrid  
Spain

**Germany**  
Unter den Linden 14  
10117 Berlin  
Germany

#### Hausmann Associés

**France**  
Hausmann Associés  
4 Avenue Velasquez  
75008 Paris France