

**Company Registration No. 07466427**

**Taylor Wessing Services Limited**

**Report and Financial Statements**

**30 April 2016**



# **Taylor Wessing Services Limited**

## **Report and financial statements 2016**

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# **Taylor Wessing Services Limited**

## **Report and financial statements 2016**

### **Officers and professional advisers**

#### **Directors**

T G Eyles  
D J Findlay  
C Singleton (resigned 30 September 2015)  
A C Robertson (appointed 01 October 2015)

#### **Registered Office**

5 New Street Square  
London  
EC4A 3TW

#### **Bankers**

National Westminster Bank PLC  
Fleet Street Branch  
PO Box 281  
156 Fleet Street  
London  
EC4A 2DX

#### **Solicitors**

Taylor Wessing LLP

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London

# Taylor Wessing Services Limited

## Strategic report

### Principal activity and review of the business

The company employs and provides staff and other services to Taylor Wessing LLP.

The Directors are pleased to report that the company has traded satisfactorily in the year under review. The directors consider the key indicator of the company's performance to be turnover. As shown in the company's profit and loss account on page 8, the company's turnover was 7% more than in the prior year.

The company's balance sheet on page 9 shows that the company's financial position remains satisfactory with shareholder funds of £1,596,500.

The directors consider the company's current level of business activity and the year-end financial position to be satisfactory, and that this level of activity will be sustained for the foreseeable future.

As the company is engaged solely in the supply of services, the company's directors believe that further key performance indicators are not necessary for an understanding of the development, performance or financial position of the business.

### Business Risks

The key business risk is the need to maintain a good customer relationship with Taylor Wessing LLP and so be able to continue to supply staff and services to that business. The relationship with Taylor Wessing LLP remains good.

### Prospects

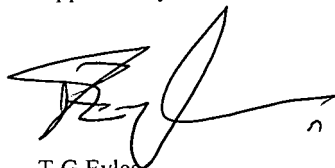
The Directors consider that the company will continue to trade in a similar manner in the foreseeable future.

### Financial Risk Management

The company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk.

Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the only financial risks the directors consider relevant to this company are liquidity risk and credit risk. These risks are mitigated by careful monitoring during the year and, in particular, ensuring that charges to Taylor Wessing LLP are paid on a timely basis. The company does not manage financial risk by the use of derivative financial instruments.

Approved by the Board and signed on behalf of the Board



T G Eyles  
Director

21 December 2016

# **Taylor Wessing Services Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 April 2016.

### **Results and dividends**

The result for the year is set out on page 8 in the profit and loss account. An interim dividend of £1,550,232 (2015: £508,720) was announced and paid in the year.

### **Financial risk management**

The financial position of the company is shown in the balance sheet on page 9. The company has no third party debt and has access to financial resources from its parent undertaking. Consequently, the directors believe that the company is well placed to manage its business risks successfully.

The Strategic report on page 2 provides further information on financial risk management.

### **Going concern**

The directors have considered the going concern assumption given the current economic climate and have formed the conclusion that there is a reasonable expectation that the company will continue to operate in the foreseeable future.

After making enquiries and considering the above facts, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### **Employees**

The company has a number of processes for communicating to employees and ensuring that they are aware of developments in the business.

The company gives full and fair consideration to all applications for employment irrespective of age, gender, ethnicity, religion or disability and decisions are made having regard to an individual's ability to meet the requirements of the role.

### **Directors**

The directors of the company, who served during the year and at the date of this report, are as follows:

T G Eyles  
D J Findlay  
C M Singleton (resigned 30 September 2015)  
A C Robertson (appointed 1 October 2015)

### **Prospects**

Details of future prospects can be found in the Strategic Report on page 2.

# Taylor Wessing Services Limited

## Directors' report (continued)

### Auditor


Each of the persons who are directors at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements for it to be deemed reappointed as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board



T G Eyles  
Secretary

21 December 2016

## **Taylor Wessing Services Limited**

### **Directors' responsibilities statement**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the members of Taylor Wessing Services Limited**

We have audited the financial statements of Taylor Wessing Services Limited for the year ended 30 April 2016 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and to express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



## **Independent auditor's report to the members of Taylor Wessing Services Limited (continued)**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jeremy Black (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

21 December 2016

## Taylor Wessing Services Limited

### Profit and loss account For the year ended 30 April 2016

	Notes	2016 £	2015 £
<b>Turnover</b>		44,361,463	41,538,866
Other income/(expense)		3,991	(1,645)
Administrative expenses	3, 4	(42,390,314)	(39,583,709)
<b>Operating profit</b>	5	1,975,140	1,953,512
Tax on profit	6	(395,028)	(403,280)
<b>Profit after taxation</b>		<u>1,580,112</u>	<u>1,550,232</u>

All results are derived from continuing operations.

There are no other items of comprehensive income or expense in the current or prior year. Therefore no statement of other comprehensive income is presented.


# Taylor Wessing Services Limited

## Balance sheet 30 April 2016

	Notes	2016 £	2015 £
<b>Current assets</b>			
Debtors	7	5,610,480	5,323,707
Cash at bank and in hand		1,616,784	679,972
		<u>7,227,264</u>	<u>6,003,679</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(5,630,764)</u>	<u>(4,437,059)</u>
<b>Net assets</b>		<u>1,596,500</u>	<u>1,566,620</u>
<b>Capital and reserves</b>			
Profit and loss account		1,596,499	1,566,619
Called up share capital	9	<u>1</u>	<u>1</u>
<b>Total shareholders' funds</b>		<u>1,596,500</u>	<u>1,566,620</u>

The financial statements of Taylor Wessing Services Limited (registered number 07466427) were approved by the Board of Directors on 21 December 2016.

Signed on behalf of the Board of Directors

  
T G Eyles  
Director

# **Taylor Wessing Services Limited**

## **Statement of changes in equity 30 April 2016**

	<b>Called up share capital (Note 9) £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
<b>Balance at 1 May 2014</b>	1	525,107	16,388
Profit for the year	-	1,550,232	1,550,232
Dividends paid	-	(508,720)	(508,720)
<b>Balance at 30 April 2015</b>	1	1,566,619	1,566,620
Profit for the year	-	1,580,112	1,580,112
Dividends paid	-	(1,550,232)	(1,550,232)
<b>Balance at 30 April 2016</b>	1	1,596,499	1,596,500

# **Taylor Wessing Services Limited**

## **Notes to the accounts (continued)** **Year ended 30 April 2016**

### **1. Accounting policies**

The principal accounting policies are summarised below. They have been applied consistently throughout the current and previous year.

#### **Basis of accounting**

Taylor Wessing Services Limited is a company incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the directors' report on page 3.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 30 April 2015 and the date of transition to FRS 102 was therefore 1 May 2014. As a consequence of adopting FRS 102, there are no changes to accounting policies to comply with that standard. There were no material adjustments and therefore no restatement of the prior year comparative numbers is required on adoption of FRS 102 in the current year.

Taylor Wessing Services Limited has taken advantage of the disclosure exemptions available to it as a qualifying entity under FRS 102 in relation to the presentation of a cash-flow statement, financial instruments, related party transactions and remuneration of key management personnel. These disclosure exemptions are available to Taylor Wessing Services Limited as the relevant disclosures are made in its parent's consolidated financial statements.

#### **Turnover**

Turnover comprises amounts billed and receivable in respect of the supply of services to Taylor Wessing LLP. Fee income is recognised when services are delivered.

All turnover is recognised in relation to the principal activity of the company, and all arises within the United Kingdom.

#### **Employee benefits**

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the total of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### **Taxation**

Current 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.

#### **Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. Financial assets and financial liabilities are initially measured at fair value. Equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities with instruments issued by the company recognised at the proceeds received, net of direct issue costs.

#### **Financial assets**

Other debtors and loans that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

# Taylor Wessing Services Limited

## Notes to the accounts (continued) Year ended 30 April 2016

### 1. Accounting policies (continued)

#### Financial liabilities

Other creditors and borrowings are classified as other financial liabilities initially measured at fair value and subsequently at amortised cost using the effective interest method.

### 2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the members have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

There are no key assumptions made by the management concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3. Information regarding directors and employees

	2016 No.	2015 No.
Average number of persons employed	551	549
	£	£
Staff costs during the year:		
Wages and salaries	35,687,948	32,865,913
Social security costs	3,832,291	3,682,204
Pension costs	1,751,117	1,787,725
Other staff costs	978,753	1,086,933
	42,250,109	39,422,775

# Taylor Wessing Services Limited

## Notes to the accounts (continued) Year ended 30 April 2016

### 4. Directors' remuneration

	2016 £	2015 £
Emoluments	125,107	92,262
Company contributions to money purchase pension schemes	7,344	3,300
	<u>132,451</u>	<u>95,563</u>

Two directors are members of a money purchase pension scheme (2015: two).

### 5. Operating profit

	2016 £	2015 £
Operating profit is stated after charging:		
Auditors' remuneration		
- Amounts payable for the audit of the company's annual accounts	<u>3,000</u>	<u>3,090</u>

### 6. Tax on profit

	2016 £	2015 £
The total tax charge comprises:		
Current corporation tax charge on profits	<u>395,028</u>	<u>403,280</u>

There is no difference between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax for small companies to the profit before tax. The tax charge comprises:

	2016 £	2015 £
Tax on profit at standard UK corporation tax rates of 20.0% (2015: 20.6%)	<u>395,028</u>	<u>403,280</u>

### 7. Debtors

	2016 £	2015 £
Amounts due from group undertakings	4,815,071	5,048,032
VAT	-	17,682
Other debtors	650,275	212,091
Prepayments and accrued income	145,234	45,902
	<u>5,610,580</u>	<u>5,323,707</u>

All amounts are due within one year.

## Taylor Wessing Services Limited

### Notes to the accounts (continued) Year ended 30 April 2016

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

	2016 £	2015 £
Trade creditors	146,879	4,059
Other taxation and social security	1,064,976	1,179,569
Other creditors	251,705	226,122
Accruals and deferred income	4,167,204	3,027,309
	<u>5,630,764</u>	<u>4,437,059</u>

#### 9. Called up share capital

	2016 £	2015 £
<b>Called up, allotted and fully paid:</b>		
- 1 ordinary share of £1	<u>1</u>	<u>1</u>

#### 10. Ultimate parent entity and controlling party

The ultimate parent entity and controlling party of the company is Taylor Wessing LLP. Taylor Wessing LLP is the immediate parent entity and the parent entity of the largest and smallest group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements of Taylor Wessing LLP, which include the results of Taylor Wessing Services Limited, are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.