

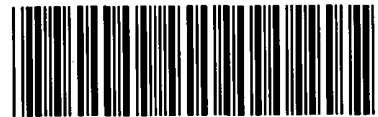
Company Registration No. 07466427

Taylor Wessing Services Limited

Annual report and financial statements

for the year ended 30 April 2017

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Taylor Wessing Services Limited

Report and financial statements 2017

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Taylor Wessing Services Limited

Report and financial statements 2017

Officers and professional advisers

Directors

T G Eyles
D J Findlay
A C Robertson

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
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 6% 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 £2,167,387.

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

13 October 2017

Taylor Wessing Services Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2017.

Results and dividends

The result for the year is set out on page 8 in the profit and loss account. An interim dividend of £1,596,499 (2016: £1,550,232) 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 for 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 as per the accounting policy on page 12.

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.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The Group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Group and the Company. This is achieved through formal and informal meetings, employee participation in the Annual Employee Engagement Survey, monthly Managing Partner Newsletter and Firmwide Strategy update meetings run by senior management. Employee representatives through various forums e.g. Business Services Forum, Senior Counsel Council and Associates Council are consulted regularly on a wide range of matters affecting their current and future interests.

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
A C Robertson

Taylor Wessing Services Limited

Directors' report (continued)

Prospects

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

Auditor

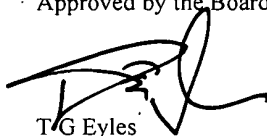
Each of the persons who are directors at the date of approval of this report confirms that:

- 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
Director

13 October 2017

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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 2017 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 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.


In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

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.



Peter Saunders (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

13 October 2017

Taylor Wessing Services Limited

Profit and loss account For the year ended 30 April 2017

	Notes	2017 £	2016 £
Turnover		47,119,600	44,361,463
Administrative expenses	3, 4	(44,417,287)	(42,386,323)
Profit before tax	5	2,702,313	1,975,140
Tax on profit	6	(534,927)	(395,028)
Profit after taxation		<u>2,167,386</u>	<u>1,580,112</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.

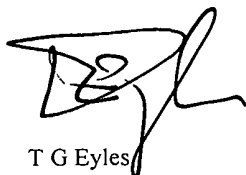
Taylor Wessing Services Limited

Balance sheet 30 April 2017

	Notes	2017 £	2016 £
Current assets			
Debtors	7	6,054,336	5,610,480
Cash at bank and in hand		1,252,553	1,616,784
		<u>7,306,889</u>	<u>7,227,264</u>
Creditors: amounts falling due within one year	8	<u>(5,139,502)</u>	<u>(5,630,764)</u>
Net assets and total assets less current liabilities		<u>2,167,387</u>	<u>1,596,500</u>
Capital and reserves			
Profit and loss account		2,167,386	1,596,499
Called up share capital	9	1	1
Total shareholders' funds		<u>2,167,387</u>	<u>1,596,500</u>

The financial statements of Taylor Wessing Services Limited (registered number 07466427) were approved by the Board of Directors on **13 October** 2017.

Signed on behalf of the Board of Directors



T G Eyles
Director

Taylor Wessing Services Limited

Statement of changes in equity 30 April 2017

	Called up share capital (Note 9) £	Profit and loss account £	Total £
Balance at 1 May 2015	1	1,566,619	1,566,620
Profit and total comprehensive income	-	1,580,112	1,580,112
Dividends paid	-	(1,550,232)	(1,550,232)
Balance at 30 April 2016	1	1,596,499	1,596,500
Profit and total comprehensive income	-	2,167,386	2,167,386
Dividends paid	-	(1,596,499)	(1,596,499)
Balance at 30 April 2017	1	2,167,386	2,167,387

Taylor Wessing Services Limited

Notes to the accounts (continued) **Year ended 30 April 2017**

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 private 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, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

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 and equity

All financial assets and liabilities are initially measured at transaction price (including transaction costs). The business holds no financial assets classified as at fair value through profit or loss.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Taylor Wessing Services Limited

Notes to the accounts (continued) Year ended 30 April 2017

Going concern

The going concern basis has been adopted in preparing the financial statements. Having considered the company's forecasts and projections, the members are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future.

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. We have considered and concluded that there are no key sources of estimation uncertainty.

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

The average number of full time equivalent employees was as follows:

	2017 Number	2016 Number
Fee-earners	292	287
Non fee earning professionals	16	14
Business services	257	250
	<u>565</u>	<u>551</u>

	2017 £	2016 £
Staff costs during the year:		
Wages and salaries	36,558,759	34,151,750
Social security costs	3,925,125	3,832,291
Pension costs	1,852,511	1,751,117
Consultants and other costs	1,928,055	2,514,951
	<u>44,264,450</u>	<u>42,250,109</u>

Taylor Wessing Services Limited

Notes to the accounts (continued) Year ended 30 April 2017

4. Directors' remuneration

	2017 £	2016 £
Emoluments	171,796	125,107
Company contributions to money purchase pension schemes	3,900	7,344
	<u>175,696</u>	<u>132,451</u>

Two directors are members of a money purchase pension scheme (2016: two).

5. Operating profit

	2017 £	2016 £
Operating profit is stated after charging:		
Auditors' remuneration		
- Amounts payable for the audit of the company's annual accounts	<u>3,000</u>	<u>3,000</u>

6. Tax on profit

	2017 £	2016 £
The total tax charge comprises:		
Current corporation tax charge on profits	<u>534,927</u>	<u>395,028</u>

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

	2017 £	2016 £
Tax on profit at UK corporation tax rate of 19.92%. (2016: 20.0%)	<u>534,927</u>	<u>395,028</u>

Factors that may affect future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 20% (2016: 20%). Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016.

Taylor Wessing Services Limited

Notes to the accounts (continued) Year ended 30 April 2017

7. Debtors

	2017 £	2016 £
Amounts due from group undertakings	5,343,711	4,815,071
Other debtors	590,936	650,275
Prepayments and accrued income	119,689	145,234
	<u>6,054,336</u>	<u>5,610,580</u>

All amounts are due within one year.

Amounts due from group undertakings includes amount which is interest free and is repayable on demand.

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	59,010	146,879
Other taxation and social security	1,509,867	1,064,976
Other creditors	259,667	251,705
Accruals and deferred income	3,310,958	4,167,204
	<u>5,139,502</u>	<u>5,630,764</u>

9. Called up share capital

	2017 £	2016 £
Called up, allotted and fully paid:		
- 1 ordinary share of £1	<u>1</u>	<u>1</u>

10. Ultimate parent entity and controlling party

The immediate and ultimate parent entity and ultimate controlling party of the company is Taylor Wessing LLP, which is the only 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.