

Dentons Europe LLP
(formerly Salans FMC SNR Denton Europe LLP)

Report and Financial Statements

Year Ended

31 December 2014

Registered No: OC316822

WEDNESDAY



L4H18Y00

LD9

30/09/2015

#141

COMPANIES HOUSE

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Report and Financial Statements for the year ended 31 December 2014

Contents

Page:

1	Report of the members
4	Independent auditor's report
6	Consolidated profit and loss account
7	Consolidated statement of total recognised gains and losses
8	Consolidated balance sheet
9	LLP Balance sheet
10	Consolidated cash flow statement
11	Notes forming part of the financial statements

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Report of the members for the year ended 31 December 2014

The members of Dentons Europe LLP present their report and the group financial statements for the year ended 31 December 2014.

Partners/Members

The term "partner" in this document is used to refer to a member of Dentons Europe LLP ("Dentons Europe"), or an employee or consultant with equivalent standing and qualifications, or an individual with equivalent status in one of Dentons Europe's subsidiary undertakings. The term "member" in this document is used to refer only to a member of Dentons Europe.

Principal activities, trading review and future developments

The limited liability partnership (LLP) is an international law firm and provider of legal services. Dentons Europe has offices in the following locations which are either branches of Dentons Europe LLP or other entities affiliated with Dentons Europe LLP:

Almaty, Baku, Barcelona, Berlin, Bratislava, Brussels, Bucharest, Budapest, Frankfurt, Istanbul, Kyiv, London, Madrid, Moscow, New York, Paris, Prague, Shanghai, St. Petersburg and Warsaw.

The financial results and group balance sheet reported in these accounts include all branches and subsidiaries except those disclosed in note 12 to the financial statements.

The consolidated trading results of Dentons Europe LLP and its subsidiaries (the "Dentons Europe Group") for the year ended 31 December 2014 were satisfactory and resulted in a profit before members' remuneration and profit shares of €52,310,000 (2013 - €49,460,000). The net assets of the Dentons Group at 31 December 2014 were €58,520,000 (2013 - €59,902,000). Dentons Europe LLP reported a satisfactory financial performance for the year ended 31 December 2014.

Salans LLP (now Dentons Europe LLP), SNR Denton and Fraser Milner Casgrain LLP (FMC) combined on the 28th of March 2013 to become members of SNR Denton Group ('Dentons'), a Swiss Verein ('the Combination'). Each member within Dentons maintains separate books of account.

Also as a part of the Combination on 1st October 2013, most of the Dentons Europe LLP partners located in New York resigned and became members of Dentons US (previously SNR Denton US LLP) and many of the employees working in New York also transferred and were hired by Dentons US. Dentons Europe LLP's New York office closed in early 2014 and its operations are expected to be discontinued in the course of the following two years.

Dentons Europe LLP maintains a small operation in London providing administrative services to its offices worldwide.

Salans FMC SNR Denton Europe LLP was renamed Dentons Europe LLP on the 16th February 2015.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Report of the members for the year ended 31 December 2014 (*Continued*)

Legal Structure

All members of Dentons Europe LLP are appropriately registered with the relevant bar or bars in their jurisdiction(s) of practice.

Designated members

The following designated members were members of the LLP throughout the year ended 31 December 2014 and to the date of this report :

Tomasz Dabrowski (designated 21 February 2014)

Evan Lazar (designated 21 February 2014)

Dariusz Oleszczuk (ceased to be a designated member on 14 July 2015)

Transaction with members

All members participate fully in the LLP's profit and share the risks and subscribe to the LLP's capital.

An individual member's capital requirement is linked in part to his or her share of profit and the financing requirements of the firm. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at 'par', so retiring members are repaid their capital at 'par'.

The firm's drawing policy allows each member to draw a proportion of their profit in twelve monthly instalments with the balance of their profits paid in the subsequent year. All payments are made subject to the cash requirements of the business.

Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the members' report and financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under these regulations the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations 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 Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 Limited Liability Partnership will continue in business.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Report of the members for the year ended 31 December 2014 (Continued)

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The responsibilities are fulfilled by the Europe Chief Executive Officer on behalf of the members. The Europe Chief Executive Officer confirms compliance with the above requirements in preparing the financial statements.

Auditors

All of the designated members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the auditors for the purposes of their audit and to establish that the auditors are aware of that information. The designated members are not aware of any relevant audit information of which the auditors are unaware.

The independent auditors of Dentons Europe LLP are BDO LLP.

On behalf of the members



Tomasz Dabrowski
23 September 2015

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Independent auditor's report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DENTONS EUROPE LLP

We have audited the financial statements of Dentons Europe LLP for the year ended 31 December 2014 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated and partnership balance sheet, the consolidated cash flow statement and the related notes. 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).

This report is made solely to the limited liability partnership's members, as a body, in accordance with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of members and auditors

As explained more fully in the statement of members' responsibilities, 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). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the limited liability partnership's affairs as at 31 December 2014 and of the group's 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 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

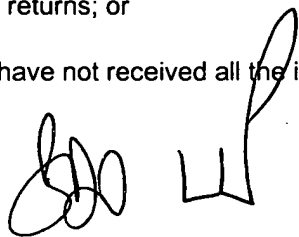
Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Independent auditor's report (*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 as applied to limited liability partnerships requires us to report to you if, in our opinion:

- 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; or
- we have not received all the information and explanations we require for our audit.



Matthew White (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London, United Kingdom

Date :

3 September 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Consolidated profit and loss account for the year ended 31 December 2014

	Note	2014 €'000	2013 €'000
Turnover	2	214,845	201,216
Operating expenses	3	(161,836)	(152,211)
Operating profit	5	<u>53,009</u>	<u>49,005</u>
Loss on disposal of operation	6	-	-
Profit on ordinary activities before interest and other income		<u>53,009</u>	<u>49,005</u>
Interest payable	7	(606)	(527)
Interest receivable	7	1,840	2,989
Profit on ordinary activities before taxation		<u>54,243</u>	<u>51,467</u>
Taxation	9	(1,933)	(2,007)
Profit for the year before members' remuneration charged as an expense		<u>52,310</u>	<u>49,460</u>
Members' remuneration charged as an expense		(52,310)	(49,460)
Profit for the year available for discretionary division among members		<u><u>-</u></u>	<u><u>-</u></u>

All amounts relate to continuing activities.

The notes on pages 11 to 28 form part of these financial statements.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Consolidated statement of total recognised gains and losses for the year ended 31 December 2014

	Note	2014 €'000	2013 €'000
Profit of the financial year available for discretionary division among members		-	-
Exchange difference on retranslation of net assets of subsidiary undertakings	16	(662)	(1,103)
Total recognised gains/(losses) for the year		(662)	(1,103)

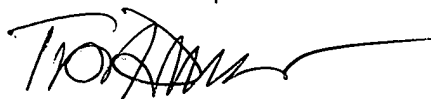
The notes on pages 11 to 28 form part of these financial statements.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Consolidated balance sheet at 31 December 2014

Registered number OC316822	Note	2014 €'000	2013 €'000
Fixed assets			
Intangible assets	10	42	84
Tangible assets	11	7,401	9,391
Investments	12	547	262
		<u>7,990</u>	<u>9,737</u>
Current assets			
Debtors	13	64,421	62,916
Cash at bank and in hand		30,243	28,718
		<u>94,664</u>	<u>91,634</u>
Creditors : amounts falling due within one year	14	(27,981)	(41,414)
Net current assets		<u>66,683</u>	<u>50,220</u>
Creditors : amounts falling due after more than one year	15	(16,153)	(55)
Net assets attributable to members		<u>58,520</u>	<u>59,902</u>
REPRESENTED BY :			
Loans and other debts due to members			
Members' capital classified as a liability under FRS 25	16	11,058	11,452
Other amounts	16	7,734	6,868
Retirement indemnity provision for current partners and members	16	7,722	7,049
Equity			
Amounts due to partners and members on the realisation of net assets into cash	16	32,006	34,533
Total Members' Interests		<u>58,520</u>	<u>59,902</u>

The financial statements were approved on behalf of the members of Dentons Europe LLP and authorised for issue on 23 September 2015.



Tomasz Dabrowski
Designated Member


The notes on pages 11 to 28 form part of these financial statements.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

LLP balance sheet at 31 December 2014

Registered number OC316822	Note	2014 €'000	2013 €'000
Fixed assets			
Tangible assets	11	1,293	2,421
Investments	12	859	520
		2,152	2,941
Current assets			
Debtors	13	35,839	37,478
Amounts due from members	16	16,125	15,905
Cash at bank and in hand		9,768	7,675
		61,732	61,058
Creditors : amounts falling due within one year	14	(26,983)	(37,978)
Net current assets		34,749	23,080
Creditors : amounts falling due after more than one year	15	(15,505)	-
Net assets attributable to members		21,396	26,021
REPRESENTED BY :			
Loans and other debts due to members			
Members' capital classified as a liability under FRS 25	16	7,715	7,813
Retirement indemnity provision for current partners and members	16	7,722	7,049
Equity			
Amounts due to partners and members on the realisation of net assets into cash	16	5,959	11,159
		21,396	26,021
Total Members' Interests			
Amounts due from members	16	(16,125)	(15,905)
Loans and other debts due to members	16	15,437	14,882
Members' other interests	16	5,959	11,159
		5,271	26,021

The financial statements were approved on behalf of the members of Dentons Europe LLP and authorised for issue on 23 September 2015.


Tomasz Dabrowski
Designated Member

The notes on pages 11 to 28 form part of these financial statements.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Consolidated cash flow statement for the year ended 31 December 2014

	Note	2014 €'000	2013 €'000
Net cash inflow from operating activities	18	61,204	58,272
Return on investments and servicing of finance	19	1,234	2,462
Taxation	19	(1,933)	(617)
Capital expenditure and financial investments	19	(3,067)	(2,240)
Acquisitions and disposals	19	-	-
Transactions with members and former members	19	(53,030)	(60,869)
Increase / (decrease) in cash in the year before financing		<u>4,408</u>	<u>(2,992)</u>
Financing	19	(2,883)	6,464
Increase in cash		<u>1,525</u>	<u>3,472</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash		1,525	3,472
Reversal of financing effect	19	2,883	(6,464)
Change in net funds in the year		<u>4,408</u>	<u>(2,992)</u>
Net funds at beginning of year		8,292	11,284
Net funds at end of year	20	<u>12,700</u>	<u>8,292</u>

The notes on pages 11 to 28 form part of these financial statements.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014

1 Accounting policies

The financial statements in euro have been prepared under the historical cost convention, in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. The following principal accounting policies have been applied:

Basis of consolidation

The financial statements consolidate the results and financial position of Dentons Europe LLP and all its subsidiary undertakings ('Dentons Europe').

As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented for Dentons Europe LLP.

Profit shared among the members each year is in accordance with the agreed profit sharing arrangements and include interest on members' funds. The Group result for the year includes profit available for division to members of the LLP for the year of €10,309,000 (2013: €7,253,000).

Depreciation of tangible fixed assets

Depreciation is provided on all tangible fixed assets so as to write them off over their anticipated useful lives at the following annual rates on a straight line basis:

Software	- 20% to 50%
Leaseholds improvements	- 20% or the term of the lease
Office equipment	- 20% to 33%
Motor vehicles	- 16% to 20%

Art comprises pictures and other objects and is included at historical cost.

Profits or losses arising from the disposal of fixed assets are included in other income.

Intangible assets

Intangible assets are recognised at cost. These are amortised over their anticipated useful economic life on a straight line basis over 3 years.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

1 Accounting policies (Continued)

Turnover

Turnover represents the right to consideration earned in respect of legal services performed during the period, net of any sales tax and discounts given to clients. Services provided to clients during the period which at the balance sheet date have not been invoiced to clients have been recognised as turnover on an assessment of fair value of the services provided at the balance sheet date. Disbursements incurred and billed to clients during the period are presented gross in revenue and operating expenses. Segmental information is not disclosed as the members believe that to do so would be prejudicial to the interests of the firm.

Foreign currencies

In the financial statements of the LLP and the individual companies, assets and liabilities expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction, except where covered by forward currency contracts in which case the forward rate is used. Differences arising are dealt with in the profit and loss account.

The result of overseas operations are translated at the average rate of exchange during the year and the balance sheet is translated into euros at the rate of exchange ruling on the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings are taken to reserves.

Lease and hire purchase contracts

Where material, assets being acquired under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their anticipated useful lives. The obligation to make future rental payments, net of future finance charges, is recognised as a liability in the balance sheet. The interest element of the lease and hire purchase payments is charged to the profit and loss account at a constant rate over the period of the agreement. Rentals under operating leases are charged to the profit and loss account as incurred. Inducements to enter property leases are amortised to the first break clause of the lease.

Provisions for claims

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

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

1 Accounting policies (Continued)

Provisions for dilapidations

An estimate for potential dilapidations due on exit from group properties has been made and is reviewed annually.

Income tax

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

The corporate companies dealt with in these consolidated financial statements are subject to corporate tax based on their profits for the financial year.

Pension costs

Contributions to money purchase schemes and employees' personal pension plans are charged to the profit and loss as payable. Members of Dentons Europe LLP are expected to make their own pension arrangements.

A Retirement Indemnity Fund of up to six months remuneration dependent on number of years service is allocated to each equity partner.

Allocation of profits and drawings

Dentons Europe's drawings policy allows each member to draw a proportion of their profit in twelve monthly instalments with the balance of their profits paid in the subsequent year. All payments are made subject to cash requirements of the business. To the extent that interim profit allocations exceed drawings then the excess profit is included in the balance sheet under "Loans and other debts due to members". Where drawings exceed the allocated profits then the excess is included in "Debtors". Certain amounts previously presented in members' interests have been re-presented within debtors.

2 Turnover

	2014 €'000	2013 €'000
Fees	185,346	189,008
Client disbursements	29,499	12,208
	<u>214,845</u>	<u>201,216</u>

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

3 Operating expenses

	2014 €'000	2013 €'000
Staff costs (Note 4)	57,138	64,023
Depreciation	3,897	3,305
Amortisation	42	42
Cost of client disbursements	31,114	12,224
Other operating charges	69,645	73,178
	<u>161,836</u>	<u>152,772</u>

4 Employees

	2014 €'000	2013 €'000
Staff costs (excluding members) consist of:		
Wages and salaries	44,395	50,627
Social security costs	8,363	8,773
Pension costs	4,380	4,623
	<u>57,138</u>	<u>64,023</u>

The average number of employees during the year was:

	Number	Number
Professional and administrative staff	1,295	1,317

5 Operating profit

	Group 2014 €'000	Group 2013 €'000
This is stated after charging :		
Auditors' remuneration :		
Group audit fees		
• Statutory	219	214
• Non-statutory	10	15
Depreciation of fixed assets	3,897	3,305
Amortisation of intangible assets	42	42
Operating lease payments		
• Land and buildings	17,307	21,160
• Other	326	471
Loss on sale/disposal of fixed assets	522	263

Depreciation of tangible fixed assets includes €64,706 (2013 - €65,422) in respect of assets held under finance leases and hire purchase contracts.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

6 Loss on disposal of operation

There were no disposals during the year or the prior year.

7 Interest

	2014 €'000	2013 €'000
<i>Payable</i>		
On bank loans and overdrafts	(606)	(527)
<i>Receivable</i>		
On short term deposits and investments	1,840	2,989
Net interest receivable	<u>1,234</u>	<u>2,462</u>

8 Profit for the year before members' remuneration and profit share

Profits are shared among the members each year in accordance with agreed profit sharing arrangements and include interest on members' funds. Members are required to make their own provision for pensions from their profit shares.

	2014 Number	2013 Number
Average number of members	<u>150</u>	<u>155</u>

At 31 December 2014 there were 150 members (2013 - 155 members).

The profit share of the highest paid member was €1,611,025 (2013 - €1,349,148).

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

9 Taxation 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, as the relevant income tax is the responsibility of the individual members.

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

	2014 €'000	2013 €'000
Analysis of charge for the year		
<i>Current tax :</i>		
Foreign taxation	1,933	2,007

For corporate entities chargeable to tax, the difference between the actual charge disclosed above and tax computed at 21% (the 2014 UK rate of Corporation Tax - 23% in 2013) is due to member income disclosed as contractor or similar payments in the accounts of the local corporate entities. Those and other permanent differences amounted to €4,150,000 (2013 - €4,565,000) and account for the difference between the actual charge of €1,933,000 (2013 - €2,007,000) and the theoretical tax charge of €6,083,000 (2013 - €6,572,000), computed at 21%.

The profit attributable to non-corporate entities not subject to tax was €25,296,000.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)

10 Intangible fixed assets

	Group	LLP
	€'000	€'000
<i>Cost</i>		
At 1 January 2014	126	-
Exchange differences	-	-
Additions	-	-
Disposals	-	-
At 31 December 2014	<u>126</u>	<u>-</u>
<i>Depreciation</i>		
At 1 January 2014	42	-
Exchange differences	-	-
Charge for the year	42	-
Disposals	-	-
At 31 December 2014	<u>84</u>	<u>-</u>
<i>Net book value</i>		
At 1 January 2014	84	-
At 31 December 2014	<u>42</u>	<u>-</u>

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

11 Tangible fixed assets

Group	Software €'000	Leasehold Improvements €'000	Office Equipment €'000	Motor Vehicles €'000	Art €'000	Total €'000
<i>Cost</i>						
At 1 January 2014	4,183	14,075	18,701	544	257	37,760
Exchange differences	218	520	(614)	(31)	5	98
Additions	170	1,575	1,029	0	8	2,782
Disposals	-	(389)	(597)	(188)	(88)	(1,262)
At 31 December 2014	4,571	15,781	18,519	325	182	39,378
<i>Depreciation</i>						
At 1 January 2014	4,044	8,978	15,015	332	-	28,369
Exchange differences	212	550	(285)	(26)	-	451
Charge of the year	104	2,064	1,668	61	-	3,897
Disposals	-	(190)	(366)	(184)	-	(740)
At 31 December 2014	4,360	11,402	16,032	183	-	31,977
<i>Net book value</i>						
At 1 January 2014	139	5,097	3,686	212	257	9,391
At 31 December 2014	211	4,379	2,487	142	182	7,401

The net book value of tangible fixed assets for the group includes an amount of €96,174 (2013 - €141,291) in respect of assets held under finance leases and hire purchase contracts.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

11 Tangible fixed assets (Continued)

LLP	Software €'000	Leasehold Improvements €'000	Office Equipment €'000	Motor Vehicles €'000	Art €'000	Total €'000
<i>Cost</i>						
At 1 January 2014	1,750	4,757	7,903	13	96	14,519
Exchange differences	235	554	685	1	4	1,479
Additions	138	-	112	-	-	250
Disposals	-	-	(222)	-	(88)	(310)
At 31 December 2014	2,123	5,311	8,478	14	12	15,938
<i>Depreciation</i>						
At 1 January 2014	1,633	3,784	6,668	13	-	12,098
Exchange differences	223	573	628	1	-	1,425
Charge of the year	86	694	342	-	-	1,122
Disposals	-	-	-	-	-	-
At 31 December 2014	1,942	5,051	7,638	14	-	14,645
<i>Net book value</i>						
At 1 January 2014	117	973	1,235	-	96	2,421
At 31 December 2014	181	260	840	-	12	1,293

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

12 Investments

Group	Subsidiary undertakings €'000
<i>Cost or valuation</i>	
At 1 January 2014	262
Additions	285
Disposals	-
At 31 December 2014	547

The Dentons Group invested in Dentons Africa Holding Limited in 2014 for £187,000. The value of the LLP's interest in the entity's net assets approximates the aggregate cost disclosed above.

LLP	Subsidiary undertakings €'000
<i>Cost or valuation</i>	
At 1 January 2014	520
Additions	339
Disposals	-
At 31 December 2014	859

Subsidiaries	Country of incorporation	Activity	Percentage Owned
Direct			
East-West Services International LLC.....	USA	Service Company	100%
Platin 371 GmbH.....	Germany	Dormant	100%
Platin 384 GmbH.....	Germany	Dormant	100%
Salans (MBH) Limited.....	United Kingdom	Dormant (1)	100%
Dentons Europe Abogados SLU (<i>formerly Salans FMC SNR Denton Europe Abogados SL</i>).....	Spain	Supply of Legal Services	100%
Dentons GmbH.....	Germany	Supply of Legal Services	100%
Dentons Europe Müşavirlik Limited Şirketi (<i>formerly Salans FMC SNR Denton Europe Müşavirlik Limited Şirketi</i>).....	Turkey	Supply of Legal Services	100%
Salans Secretarial Services Limited.....	United Kingdom	Dormant (1)	100%
Dentons Europe (Central Asia) Limited (<i>formerly Salans FMC SNR Denton Europe (Central Asia) Limited</i>).....	United Kingdom	Holding company and supply of Legal Services	100%
Dentons Europe International LLC (<i>formerly Salans FMC SNR Denton Europe International LLC</i>).....	USA	Holding company	100%
Dentons Europe (CIS) Limited (<i>formerly Salans FMC SNR Denton Europe (CIS) Limited</i>).....	United Kingdom	Dormant	100%
SHH Sp.Z.O.O.....	Poland	Holding company	100%

(1) Dissolved in 2015

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

12 Investments (Continued)

Subsidiaries	Country of	Activity	Percentage
Indirect	incorporation		Owned
Dentons Europe OOO (formerly Salans FMC SNR Denton Europe OOO)	Russia	Supply of Legal Services	100%
Dentons Kazakhstan LLP	Kazakhstan	Supply of Legal Services	100%
Dentons Stiftungsgesellschaft UG	Germany	Dormant	100%
SBS Erste Management Service GmbH	Germany	Service Company	100%
SBS Zweite Management Service GmbH	Germany	Service Company	100%
SBS Dritte Management Service GmbH	Germany	Service Company	100%
Dentons Treuhand Beteiligungsgesellschaft	Germany	Dormant	100%
Görtz Beteiligungsgesellschaft mbH	Germany	Dormant	100%
Aptus 835. GmbH (Treveria)	Germany	Dormant	100%
Scholz Beteiligungsgesellschaft mbH	Germany	Dormant	100%
Basler Beteiligungsgesellschaft	Germany	Dormant	100%
Brilliant 1917 GmbH	Germany	Dormant	100%
LLC Dentons Europe (formerly LLC "Salans FMC SNR Denton Europe")	Ukraine	Supply of Legal Services	100%
Dentons Europe AO (formerly Salans FMC SNR Denton Europe ZAO)	Russia	Supply of Legal Services	100%

As a result of their results not being material to the Group, SBS Erste Management Service GmbH, SBS Zweite Management Service GmbH, SBS Dritte Management Service GmbH, Dentons Treuhand Beteiligungsgesellschaft, Dentons Stiftungsgesellschaft UG, Görtz Beteiligungsgesellschaft mbH, Aptus 835. GmbH (Treveria), Scholz Beteiligungsgesellschaft mbH, Basler Beteiligungsgesellschaft and Brilliant 1917 GmbH, subsidiaries of Salans GmbH, as well as Platin 371 GmbH and Platin 384 GmbH, subsidiaries of Dentons Europe LLP, have not been included in the Group consolidation and are disclosed as investments.

Dentons Europe LLP has the power to exercise, or actually exercises, dominant influence or control over a number of other entities and undertakings, the most significant of which are :

Entity or Undertaking	Country of incorporation	Activity	Percentage Owned
Advocates Bureau "Salans"	Russia	Supply of Legal Services	-
Eranium Sp. Z.O.O.	Poland	Supply of Legal Services	-
Kövári Tercsák			
Dentons Europe Ügyvédi Iroda	Hungary	Supply of Legal Services	-
Balcioglu Selcuk Akman Keki	Turkey	Supply of Legal Services	-
Dentons Europe AARPI (formerly Salans FMC SNR Denton Europe, SCP d'avocats)	France	Supply of Legal Services	-
Dentons Europe Oleszczuck Sp. K. (formerly Salans FMC SNR Denton Oleszczuck Sp. K.)	Poland	Supply of Legal Services	-
Dentons Europe CS LLP	United Kingdom	Supply of Legal Services	-
Dentons			
Europe - Todor si Asociatii SPARL	Romania	Supply of Legal Services	-
Dentons Europe Vermögensverwaltungs GbR (formerly Salans Vermögensverwaltungs GbR)	Germany	Holding Company	-

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

13 Debtors

	Group 2014 €'000	Group 2013 €'000	LLP 2014 €'000	LLP 2013 €'000
Trade debtors	28,743	29,212	9,435	10,191
Corporation tax	12	221	-	-
Amounts owed by related parties	-	-	16,134	17,426
Other debtors	14,349	12,481	5,432	3,828
Prepayments and accrued income	21,317	21,002	4,838	6,033
	<u>64,421</u>	<u>62,916</u>	<u>35,839</u>	<u>37,478</u>

All amounts shown under debtors fall due within one year.

14 Creditors : amounts falling due within one year

	Group 2014 €'000	Group 2013 €'000	LLP 2014 €'000	LLP 2013 €'000
Bank loans payable within one year	1,370	20,352	1,370	20,331
Trade creditors	4,637	3,800	745	91
Corporation tax	816	1,444	-	-
Amounts owed to related parties	-	-	14,768	12,645
Other taxation and social security	11,477	8,315	5,192	1,968
Other creditors	5,566	3,674	2,537	801
Accruals and deferred income	4,095	3,810	2,371	2,142
Finance lease creditor	20	19	-	-
	<u>27,981</u>	<u>41,414</u>	<u>26,983</u>	<u>37,978</u>

15 Creditors : amounts falling due after more than one year

	Group 2014 €'000	Group 2013 €'000	LLP 2014 €'000	LLP 2013 €'000
Bank loans payable after one year	16,118	-	15,505	-
Finance lease creditor	35	55	-	-
	<u>16,153</u>	<u>55</u>	<u>15,505</u>	<u>-</u>

The revolving credit facility was renewed on 30 June 2014 and is due for renewal on the 30 June 2017. The facility is guaranteed by various subsidiaries. Interest is charged at 2.35% above EURIBOR from June 2014.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)

16 Members' interests

Group	<u>Loans and other debts due to members</u>			<u>Equity</u>	Total partners' and members' interests €'000
	Members' capital classified as a liability under FRS €'000	Other amounts €'000	Retirement indemnity provision for current partners and members €'000	Amounts due to partners and members on the realisation of net current assets into cash €'000	
Members' interests at 1 January 2014	11,452	6,868	7,049	34,533	59,902
Members' remuneration charged as an expense	-	52,310	-	-	52,310
Movements in equity reserves	-	3,073	673	(3,075)	671
Drawings and distributions	-	(53,307)	-	-	(53,307)
Capital introduced by members	1,439	-	-	-	1,439
Capital withdrawn by members	(1,833)	-	-	-	(1,833)
Unrealised currency exchange differences	-	(1,210)	-	548	(662)
Members' interests at 31 December 2014	<u>11,058</u>	<u>7,734</u>	<u>7,722</u>	<u>32,006</u>	<u>58,520</u>

All members and partners are obliged to contribute capital on admission to Dentons Europe LLP. Capital is repayable on retirement from the LLP in accordance with the terms set out in the Dentons Europe LLP agreement.

The basis on which profits are allocated is described in note 1. Information concerning distributions to members and the number of members is given in note 8.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements
for the year ended 31 December 2014 (Continued)

16 Members' interests (Continued)

LLP	<u>Loans and other debts</u> <u>due to members</u>			<u>Equity</u>	Total partners' and members' interests €'000
	Members' capital classified as a liability under FRS €'000	Other amounts €'000	Retirement indemnity provision for current partners and members €'000	Amounts due to partners and members on the realisation of net current assets into cash €'000	
Members' interests at 1 January 2014	7,813	(15,905)	7,049	11,159	10,116
Members' remuneration charged as an expense	-	10,309	-	-	10,309
Movements in equity reserves	-	4,527	673	(5,200)	-
Drawings and distributions	-	(14,335)	-	-	(14,335)
Capital introduced by members	1,113	-	-	-	1,113
Capital withdrawn by members	(1,211)	-	-	-	(1,211)
Unrealised currency exchange differences	-	(721)	-	-	(721)
Members' interests at 31 December 2014	<u>7,715</u>	<u>(16,125)</u>	<u>7,722</u>	<u>5,959</u>	<u>5,271</u>

All members of Dentons Europe LLP are appropriately registered with the relevant bar or bars in their jurisdiction(s) of practice.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

16 Members' interests (Continued)

The term "partner" in this document is used to refer to a member of Dentons Europe LLP, or an employee or consultant with equivalent standing and qualifications, or an individual with equivalent status in one of Dentons Europe LLP subsidiary undertakings. The term "member" in this document is used to refer only to a member of Dentons Europe LLP.

In the event of a winding up, loans and other debts due to members and partners rank equally with unsecured creditors; members' and partners' other interests rank after unsecured creditors and no additional protection is afforded to creditors. Members' and partners' capital contributions are determined by the Management Board having regard, inter alia, to the working capital needs of the business.

Individual members' and partners' capital contributions are set by reference to equity unit profit share proportions and are not repayable until the member or partner retires.

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

17 Operating lease commitments

At 31 December 2014, the Group and LLP had annual commitments under non-cancellable operating leases as follows :

Group	2014 Land and buildings €'000	2014 Other €'000	2013 Land and buildings €'000	2013 Other €'000
Lease expiring within one year	601	13	762	41
Lease expiring within two to five years	12,161	172	10,162	205
Lease expiring after five years	4,528	-	5,502	-
	<u>17,290</u>	<u>185</u>	<u>16,426</u>	<u>246</u>
LLP	2014 Land and buildings €'000	2014 Other €'000	2013 Land and buildings €'000	2013 Other €'000
Lease expiring within one year	-	13	315	39
Lease expiring within two to five years	2,372	167	2,265	174
Lease expiring after five years	-	-	160	-
	<u>2,372</u>	<u>180</u>	<u>2,740</u>	<u>213</u>

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

18 Net cash inflow from operating activities

	2014 €'000	2013 €'000
Operating profit	53,009	47,176
	<u>53,009</u>	<u>47,176</u>
Depreciation	3,897	3,305
Amortisation	42	42
Loss on sale/disposal of fixed assets	522	263
(Increase)/decrease in debtors	(1,505)	8,138
Increase/(decrease) in creditors	5,548	146
Exchange adjustments	(309)	(798)
	<u>61,204</u>	<u>58,272</u>

19 Analysis of cash flow statement headings

	2014 €'000	2013 €'000
<i>Return on investments and servicing of finance</i>		
Interest paid excluding interest paid to members	(606)	(527)
Interest received	1,840	2,989
	<u>1,234</u>	<u>2,462</u>
<i>Taxation</i>		
Overseas Tax	(1,933)	(617)
<i>Capital expenditure</i>		
Purchase of tangible fixed assets	(2,782)	(2,183)
Purchase of investments	(285)	(108)
Sale of investments	-	51
	<u>(3,067)</u>	<u>(2,240)</u>
<i>Acquisitions and disposals</i>		
Cash proceeds on disposal of office	-	-
<i>Transaction with members</i>		
Drawing and distributions	(53,307)	(56,521)
Capital (repayments to)/ contributions by members	(394)	(2,044)
Movements in equity reserves	671	(2,304)
	<u>(53,030)</u>	<u>(60,869)</u>

Dentons Europe LLP (formerly Salans FMC SNR Denton Europe LLP)

Notes forming part of the financial statements for the year ended 31 December 2014 (Continued)

19 Analysis of cash flow statement headings (Continued)

	2014 €'000	2013 €'000
<i>Financing</i>		
Revolving Facility (repayment)/drawdown	(2,864)	6,419
(Repayment)/drawdown of finance lease creditor	(19)	45
	<u>(2,883)</u>	<u>6,464</u>

20 Analysis of changes in net funds

	2013 €'000	Cash flows €'000	Other changes €'000	2014 €'000
Cash in hand and at bank	28,718	1,525	-	30,243
Lease creditor	(74)	19	-	(55)
Debt due within one year	(20,352)	2,864	16,118	(1,370)
Debt due after one year	-	-	(16,118)	(16,118)
	<u>8,292</u>	<u>4,408</u>	<u>-</u>	<u>12,700</u>

21 Related party transactions

A number of transactions occurred during the year with various entities under the control of Dentons Europe LLP.

At 31 December 2014 a net amount of €1,366,000 (2013 - €4,781,000) was owed by entities under the control of Dentons Europe LLP (note 13) in respect of fees invoiced by Dentons Europe LLP.

No interest is charged on these balances and all balances owed within the Dentons group have the right of offset.

A net amount of €4,189,000 (2013 - €6,715,000) was recharged from subsidiaries in the year 2014.