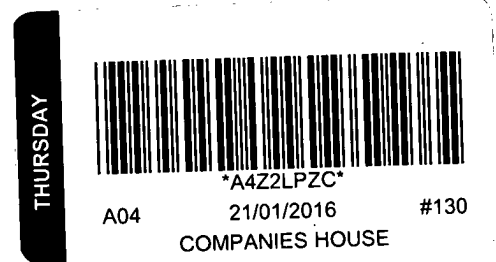


Company registration number: 07556770

**Burges Salmon Company Limited
Directors' Report and Financial Statements
for the year ended 30 April 2015**



BURGES SALMON COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

For year ended 30 April 2015

CONTENTS	PAGES
DIRECTORS AND PROFESSIONAL ADVISORS	1
STRATEGIC REPORT	2
DIRECTORS' REPORT	3 to 4
INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF BURGES SALMON COMPANY LIMITED	5 to 6
PROFIT AND LOSS ACCOUNT	7
BALANCE SHEET	8
NOTES TO THE FINANCIAL STATEMENTS	9 to 17

BURGES SALMON COMPANY LIMITED

DIRECTORS AND PROFESSIONAL ADVISORS

Board of Directors

The following were directors throughout the year and up to the date of signing the financial statements, unless otherwise stated:

Peter Harold Abrahall Morris
Emma Victoria Dowden
Ross Fairley
Simon John Russell
James Clifford Fountaine
Robert Halton
Richard Knight

Directors shareholding

None of the directors held shares in the company during the year.

Registered Office

One Glass Wharf
Bristol
BS2 0ZX

Primary Bankers

Lloyds Bank plc
55 Corn Street
Bristol
BS99 7LE

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
31 Great George Street
Bristol
BS1 5QD

BURGES SALMON COMPANY LIMITED

STRATEGIC REPORT

Year ended 30 April 2015

The directors present their strategic report of Burges Salmon Company Limited ("the Company") for the year ended 30 April 2015.

Principal activities

The company's principal activity is the provision of staff to the legal sector to carry out professional services.

Business Review

The results for the year show sales of £36,245k (2014: £34,091) and a profit before taxation of £1,701k (2014: £1,009k). The level of activities undertaken in the current year and the associated margins achieved are satisfactory.

The directors are satisfied with the performance for the financial year and feel that the company is well positioned to respond to any changes in market conditions, and do not expect the economic climate to worsen in financial year ending 2016

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPI's is not necessary for an understanding of the performance or position of the business.

The principal risks and uncertainties that the company faces relate to the recruitment, development and retention of suitable staff, the provision of suitable services and the ability to meet its financial obligations as they fall due. The directors take responsibility for maintaining systems of internal control to manage and mitigate these risks.

Results

The company made a profit before taxation for the financial year of £1,701k (2014: £1,009k).

Approved by the board and authorised for issue on 7 July 2015 and signed on their behalf by:



S J Russell
Director

BURGES SALMON COMPANY LIMITED

DIRECTORS' REPORT

Year ended 30 April 2015

The directors present their report and the audited financial statements of Burges Salmon Company Limited ("the Company") for the year ended 30 April 2015.

Financial risk management

The company's operations expose it to a variety of financial risks that include credit risk and liquidity risk. The company has in place various risk management tools that seek to limit the company's exposure to these risks. These include an internal environment which sets the basis for how risks are viewed and managed, and how the information is captured and communicated. Policies and procedures are in place to ensure that risk responses are carried out effectively. Given the size of the company, the directors have not delegated the responsibility of managing financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance team.

Directors

The directors that have held office during the year and up to the date of signing the financial statements are shown on page 1.

Directors Indemnities

The company had in force during the year qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of signing of this report.

Disabled employees

The company is committed to promoting equality and diversity in its own policies, practices and procedures and in those areas in which it has influence. This applies to the company's professional dealings with directors and staff as well as suppliers and other third parties.

The group is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The group gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the group. If members of staff become disabled the group continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

Employee involvement

The group systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the group is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the group plays a major role in maintaining its future.

Policy and practice on payment of creditors

The company seeks to agree commercial payment terms with its suppliers and, provided performance is in accordance with the agreed terms, to make payment accordingly.

Dividends

The directors approved the payment of a dividend of £1,100k (2014:£500k) in respect of the year ended 30 April 2015.

BURGES SALMON COMPANY LIMITED

DIRECTORS' REPORT *(continued)*

Year ended 30 April 2015

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 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.

Statement of disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, each director in office at the date the directors' report is approved, confirms that:

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be reappointed as auditors.

Approved by the board and authorised for issue on 7 July 2015 and signed on their behalf by:

S J Russell
Director



BURGES SALMON COMPANY LIMITED

Independent auditors' report to the members of Burges Salmon Company Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 April 2015 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.
-

What we have audited

The financial statements, which are prepared by Burges Salmon Company Limited, comprise:

- the Balance sheet as at 30 April 2015;
- the Profit and loss account for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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).

In applying the financial reporting framework, the directors 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.

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.

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 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, 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.

We have no exceptions to report arising from this responsibility.

BURGES SALMON COMPANY LIMITED

Independent auditors' report to the members of Burges Salmon Company Limited *(continued)*

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

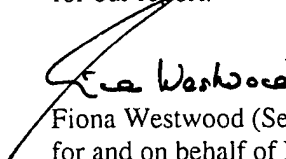
This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other 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 International Standards on Auditing (UK and Ireland) ("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 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 Directors' Report and Financial Statements (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.


Fiona Westwood (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol 17 July 2015

BURGES SALMON COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 30 April 2015

	Note	2015 £'000	2014 £'000
Turnover	2	36,245	34,091
Administrative expenses		(34,554)	(33,085)
Operating profit	5	1,691	1,006
Interest receivable and similar income		11	4
Interest payable and similar charges	6	(1)	(1)
Profit on ordinary activities before taxation		1,701	1,009
Tax on profit on ordinary activities	7	(291)	(396)
Profit for the financial year	17	1,410	613

There is no difference between the profit for the financial years as shown above and their historical cost equivalent.

The company's turnover and expenses all relate to continuing operations.

The company has no recognised gains and losses other than those included above, and therefore no statement of total recognised gains and losses has been presented.

BURGES SALMON COMPANY LIMITED

BALANCE SHEET

At 30 April 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	9	2,676	2,832
		<u>2,676</u>	<u>2,832</u>
Current assets			
Debtors	10	986	1,906
Cash at bank and in hand		3,149	1,225
		<u>4,135</u>	<u>3,131</u>
Creditors: amounts falling due within one year	11	(5,964)	(5,426)
Net current liabilities		<u>(1,829)</u>	<u>(2,295)</u>
Total assets less current liabilities		847	537
Provisions for liabilities and charges			
Other provisions	14	(300)	(300)
Net assets		<u>547</u>	<u>237</u>
Capital and reserves:			
Called up share capital	16	10	10
Profit and loss account	17	537	227
Total shareholder's funds	18	<u>547</u>	<u>237</u>

The financial statements on pages 7 to 17 were approved by the board on the 7 July 2015 and are signed on their behalf by:



S J Russell

Director

16 July 2015

Company registration number: 07556770

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006, and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies which have been applied consistently is set out below.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary and is included in the consolidated financial statements of its parent, Burges Salmon LLP, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement as provided by FRS1 (revised 1996) 'Cash Flow Statements'. It has also taken advantage of the exemption provided by FRS 8 'Related Party Disclosures' from disclosing related party transactions with entities which are wholly owned within the Burges Salmon LLP group and are included within the consolidated financial statements of the group.

Turnover

Turnover represents the invoiced value of services rendered, net of VAT, and results from one class of business carried out in the UK. Turnover is recognised once the service has been rendered. Unbilled turnover is included as accrued income within debtors.

Taxation

Current tax is provided at amounts expected to be paid or received using the tax rates and laws that have been enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax is measured on the undiscovered basis.

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

1. ACCOUNTING POLICIES *(continued)*

Tangible fixed assets

Tangible fixed assets are stated at historic cost together with any incidental economic expenses of acquisition, less accumulated depreciation. Cost includes the original purchase price of the assets and the costs attributable to bringing the asset to its initial condition for its intended use. External and internal costs are capitalised to the extent they enhance the future economic benefits of the business.

Depreciation is provided on a straight line basis over the useful economic life of that asset as follows:

Leasehold property improvements	10 years, or anticipated period of occupation if less
Computer equipment and software	2 to 5 years
Fixtures, fittings and equipment	5 to 10 years

For the purposes of note 9, assets under the above categories have been combined and included under fixtures, fittings and equipment.

The carrying values of tangible fixed assets are reviewed for impairment when the events or changes in circumstances indicate the carrying value may not be recoverable.

Assets under construction represent the cost of purchasing, constructing and installing tangible fixed assets ahead of their productive use. No depreciation is charged on assets under construction until they are transferred to the appropriate heading when they are brought into use.

Pension costs and other post retirement benefits

Staff pension costs relating to the company's defined contribution schemes are charged to the profit and loss account when they become payable.

Provisions for liabilities

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

2. TURNOVER

Turnover arises entirely in the UK and relates solely to the provision of staff related services to Burges Salmon LLP.

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

3. DIRECTORS' EMOLUMENTS

The directors of Burges Salmon Company Limited are either members of the parent undertaking or are senior executives whose primary role is to run functions that deliver services to Burges Salmon LLP and other professional services organisations. It is not possible to quantify separately an apportionment of their emoluments received for performing their duties as directors of Burges Salmon Company Limited.

Accordingly, directors' emoluments are included within staff costs in Note 4, but have not been separately disclosed here.

None of the directors who are also members of Burges Salmon LLP receive any emoluments for their services as directors.

4 directors (2014:3) have retirement benefits accruing under the company's defined contribution pension scheme.

4. STAFF COSTS

The monthly average number of employees including directors during the year was:

	2015	2014
By activity	Number	Number
Legal advisors	281	263
Support staff	245	241
	<u>526</u>	<u>504</u>

Staff costs for the above persons during the year were:

	2015	2014
	£'000	£'000
Wages and salaries	24,402	23,213
Social security costs	2,730	2,581
Other pension costs (note 15)	1,045	934
	<u>28,177</u>	<u>26,728</u>

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

5. OPERATING PROFIT

Operating profit is stated after charging

		2015 £'000	2014 £'000
	Note		
Depreciation of owned tangible fixed assets	9	322	135
Re-instatement asset amortisation	9	41	41
Fees payable to the company's auditor for the audit of the Financial Statements		3	3

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2015 £'000	2014 £'000
Bank charges	1	1

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2015 £'000	2014 £'000
Current Tax:		
UK Corporation tax at 21.0% (2014: 22.8%)	365	317
Deferred Tax:		
Origination and reversal of timing differences	(74)	79
	<u>291</u>	<u>396</u>

The tax for the year is higher (2014: higher) than the standard effective rate of corporation tax in the UK for the year ended 30 April 2015. The difference is explained below

Profit on ordinary activities before tax	<u>1,701</u>	<u>1,009</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.0% (2014: 22.8%)	357	230
Effects of:		
Transfer pricing compensating adjustment in respect of taxable profits	-	130
Depreciation in excess of Capital allowances	8	15
Adjustment in respect of prior years	-	(58)
Total current tax	<u>365</u>	<u>317</u>

The UK corporation tax rate was reduced from 21% to 20% from 1 April 2015 under Finance Act 2013. As no further reductions were substantively enacted at the balance sheet date, the relevant deferred tax balances continue to be measured at 20%.

8. DIVIDENDS

	2015 £'000	2014 £'000
Final paid (2015): 110.00p (2014: 50.00p) per share	1100	500
	<u>1100</u>	<u>500</u>

The directors approved the payment of a dividend of £1,100k (2014: £500k) in respect of the financial year ended 30 April 2015.

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

9. TANGIBLE FIXED ASSETS

	Assets Under Construction £'000	Fixtures, Fittings and Equipment £'000	Total £'000
COST			
At 1 May 2014	1,899	1,183	3,082
Additions	162	46	208
Disposals	-	(28)	(28)
Transfers	(2,061)	2,061	-
At 30 April 2015	-	3,262	3,262
ACCUMULATED DEPRECIATION			
At 1 May 2014	-	251	251
Charge for the year	-	363	363
Released on disposal	-	(28)	(28)
At 30 April 2015	-	586	586
NET BOOK VALUE			
At 30 April 2015	-	2,676	2,676
At 1 May 2014	1,899	933	2,832

Where there is a requirement to return a leased premises to its original state at the end of the lease, a discounted provision is included, and an equivalent reinstatement asset. This asset is amortised over the year of the respective lease, and is shown within the cost of Fixtures, Fittings and Equipment. The amortisation of the reinstatement asset during the year was £41k (2014: £18k). This has no cash impact in these financial statements.

10. DEBTORS

	2015 £'000	2014 £'000
Other debtors	47	58
Prepayments and accrued income	939	1,848
	986	1,906

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

11. CREDITORS: Amounts falling due within one year

	2015 £'000	2014 £'000
Trade creditors	20	47
Amounts owed to group undertakings	3,037	2,575
Other creditors	9	4
Other taxation and social security	763	694
Corporation tax	282	324
Accruals and deferred income	1,853	1,782
	<u>5,964</u>	<u>5,426</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

12. COMMITMENTS UNDER OPERATING LEASES

At 30 April 2015 the Company had annual commitments under non-cancellable operating leases as set out below.

	2015 Land and Buildings £'000	2014 Land and Buildings £'000
Operating leases which expire:		
Within 2 to 5 years	700	-
After more than 5 years	-	505
	<u>700</u>	<u>505</u>

13. DEFERRED TAX LIABILITY

	2015 £'000	2014 £'000
Accelerated capital allowances	122	196
Total deferred tax	<u>122</u>	<u>196</u>
	2015 £'000	
At start of period	196	
Deferred tax charge in profit and loss account for period	(74)	
At end of period	<u>122</u>	

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

14. PROVISIONS

	2015 Property Provisions £'000	2014 Property Provisions £'000
At 1 May 2014	300	300
At 30 April 2015	<u>300</u>	<u>300</u>

15. RETIREMENT BENEFITS

	2015 £'000	2014 £'000
Defined contribution schemes - charge to profit & loss account	<u>1,045</u>	<u>934</u>
Amounts outstanding or prepaid at the financial year end	<u>-</u>	<u>-</u>

16. CALLED UP SHARE CAPITAL

	2015 £'000	2014 £'000
Issued, allotted and fully paid 10,000 ordinary shares of £1	<u>10</u>	<u>10</u>

17. PROFIT AND LOSS ACCOUNT

	2015 £'000	2014 £'000
Balance at 1 May 2014	227	114
Profit for the financial year	1,410	613
Dividends	(1,100)	(500)
Balance at 30 April 2015	<u>537</u>	<u>227</u>

18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2015 £'000	2014 £'000
Opening shareholders' funds	237	124
Profit for the financial year	1,410	613
Dividends	(1,100)	(500)
Closing shareholders' funds	<u>547</u>	<u>237</u>

BURGES SALMON COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2015

19. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent undertaking and controlling party is Burges Salmon LLP. Burges Salmon LLP is the parent undertaking which consolidates these financial statements. The consolidated financial statements of Burges Salmon LLP are available from One Glass Wharf, Bristol, BS2 0ZX.