

**Company Registration No. 02891688**

**KWM EUME Services  
(formerly SJ Berwin Services)**

**Report and Financial Statements  
30 April 2015**



# **KWM EUME Services**

## **Report and financial statements 2015**

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# **KWM EUME Services**

## **Report and financial statements 2015**

### **Officers and professional advisers**

#### **Directors**

W J Boss  
K Scott

#### **Secretary**

G Penfold

#### **Registered Office**

10 Queen Street Place  
London  
EC4R 1BE

#### **Bankers**

Barclays Bank PLC  
1 Churchill Place  
Canary Wharf  
London  
E14 5HP

The Royal Bank of Scotland plc  
280 Bishopsgate  
London  
EC2M 4RB

#### **Auditor**

Grant Thornton UK LLP  
Chartered Accountants and Statutory Auditor  
Grant Thornton House  
Melton Street  
London NW1 2EP

# KWM EUME Services

## Strategic report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

### Principal activities

During the year ended 30 April 2015 the company employed staff and made the services of those staff available to King & Wood Mallesons LLP, a limited liability partnership carrying on the business of solicitors, and the company also provided business support services to King & Wood Mallesons LLP and other members of its group.

### Business review

As part of its combination with King & Wood Mallesons, on 1 May 2015 SJ Berwin Services changed its name to KWM EUME Services.

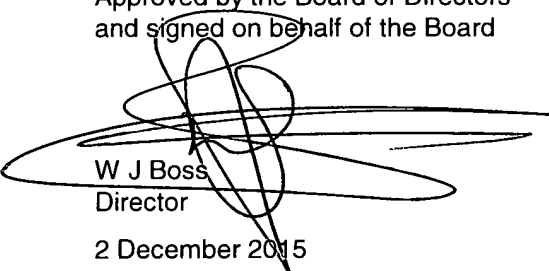
The directors are pleased to confirm that the company has traded satisfactorily in the year under review. The financial position at the year end is considered satisfactory.

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

### Principal risks and uncertainties

The financial position of the company is as shown in the balance sheet on page 8. The company has no third party debt. The company has access to considerable financial resources from across its group. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

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



W J Boss  
Director

2 December 2015

# KWM EUME Services

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2015.

### Results and dividends

The profit for the year after taxation amounted to £2,247,182 (2014: £718,841). Dividends of £718,814 (2014: £nil) were paid in the year. The directors recommend that no amounts should be paid by way of dividend.

### Going concern

After making enquiries and taking into consideration the profitability and financial position of the company, the directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has access to adequate resources from across its group to continue in operational existence for the foreseeable future, being a period of twelve months from the date of approval of the financial statements, given that it is an unlimited company wholly owned by King & Wood Mallesons LLP. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### Future prospects

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

### Directors

The directors, who served throughout the year and subsequently, except where noted, were as follows:

P W Anderson	(retired 30 June 2015)
R P Day	(retired 25 February 2015)
S Gill	(retired 17 November 2015)
R C Reid	(appointed 30 January 2015, retired 17 November 2015)
W J Boss	(appointed 31 March 2015)
K Scott	(appointed 30 January 2015)
S L Kosminsky	(retired 17 June 2014)

## KWM EUME Services

### Directors' report (continued)

#### Employees

The company communicates with all employees through regular staff briefings. Subject to practical and commercial considerations, employees are consulted and involved in decisions that affect their employment or future prospects. Full and fair consideration is also given to disabled applicants for employment having regard to their particular aptitudes and abilities.

If any employee becomes disabled the objective is the continued provision of suitable employment either in the same or an alternative position with the appropriate training.

#### Auditor

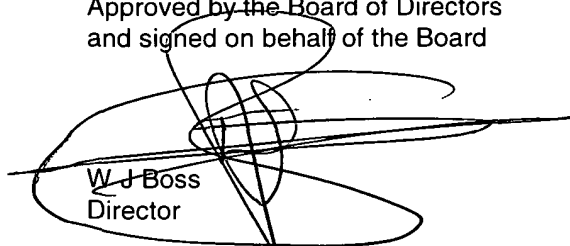
In the case of each of the persons who are directors of the company at time this report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director to make himself 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 s418 of the Companies Act 2006.

Grant Thornton UK LLP were appointed as auditors during the year and they have expressed their willingness to be re-elected as auditors for the next financial year. A resolution to re-appoint the auditors for the next financial year will be decided at the next members meeting.

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



W J Boss  
Director  
2 December 2015

## **KWM EUME Services**

### **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). 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; 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 to 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 KWM EUME Services

We have audited the financial statements of KWM EUME Services for the year ended 30 April 2015 which comprise the balance sheet, the profit and loss account, 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 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 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 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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://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 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.

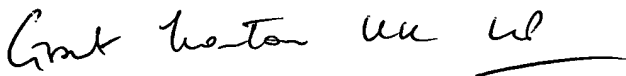
### Opinion on other matter prescribed by the Companies Act 2006

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

### 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.



**Simon Bevan**

Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

**London**

Date: 2/12/15

## KWM EUME Services

### Profit and loss account Year ended 30 April 2015

	Notes	2015 £	2014 £
Turnover	2	73,943,587	68,014,910
Administrative expenses		(71,101,931)	(66,644,806)
<b>Operating profit and profit on ordinary activities</b>	3	2,841,656	1,370,104
Tax on profit on ordinary activities	5	(594,474)	(651,263)
<b>Profit on ordinary activities after taxation and retained profit for the year</b>	9	2,247,182	718,841

All amounts derive from continuing operations. There have been no recognised gains or losses either during the current year or previous year other than the retained result. Accordingly, no statement of total recognised gains and losses is presented. Similarly, there were no movements in shareholders' funds either during the current year or previous year other than the result shown in the profit and loss account.

# KWM EUME Services

## Balance Sheet 30 April 2015

	Notes	2015 £	2014 £
<b>Current assets</b>			
Cash		37,907	-
Debtors	6	8,918,124	7,248,981
Share capital unpaid		2	2
		<hr/>	<hr/>
		8,956,033	7,248,983
<b>Creditors: amounts falling due within one year</b>	7	(6,643,843)	(6,465,161)
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		2,312,190	783,822
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account		2,312,188	783,820
		<hr/>	<hr/>
<b>Shareholders' funds</b>		2,312,190	783,822
		<hr/>	<hr/>

The financial statements of KWM EUME Services (registered number 02891688) were approved by the Board of Directors on 2 December 2015.

Signed on behalf of the Board of Directors

W J Boss  
Director

# KWM EUME Services

## Notes to the financial statements Year ended 30 April 2015

### 1. Company status

The company is an unlimited company having a share capital of £2 (2014: £2).

### 2. Principal accounting policies

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards. The principal accounting policies adopted by the directors which have been applied consistently in the current and prior year are described below.

#### Going concern

The directors continue to adopt the going concern basis in preparing the financial statements. Refer to directors' report on page 3.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Cash flow statement

As a wholly owned subsidiary of King & Wood Mallesons LLP, the company is exempt from the requirement to prepare a cash flow statement.

#### Turnover

Turnover, which comprises charges and management fees rendered for the provision of services, is stated net of Value Added Tax.

#### Pensions

The company is a participating employer in the King & Wood Mallesons UK Pension Scheme, a group personal pension scheme, membership of which is made available to eligible employees. Contributions made by the company to the scheme are charged to the profit and loss account in the period in which they become payable.

#### Taxation

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

### 3. Operating profit

Audit fees for the audit of the company's annual accounts £5,000 (2014: £4,583) have been borne by King & Wood Mallesons LLP.

# KWM EUME Services

## Notes to the financial statements Year ended 30 April 2015

### 4. Information regarding directors and employees

The average number of persons (including directors) employed by the company during the year was 570 (2014: 597).

	2015 No.	2014 No.
<b>Staff numbers</b>		
Directors	2	3
Legal staff	275	278
Secretarial	79	94
Support and administration	214	222
	<u>570</u>	<u>597</u>
	£	£
<b>Staff costs for the above persons</b>		
Wages and salaries	38,150,024	37,482,942
Social security costs	4,490,947	4,229,409
Other pension costs	1,583,706	1,449,318
	<u>44,224,677</u>	<u>43,161,669</u>

The number of directors accruing pension contributions in the year was 4 (2014: 2)

	2015 £	2014 £
<b>Directors' remuneration</b>		
Aggregate remuneration in respect of qualifying services	354,135	550,000
Compensation for loss of office	-	-
Company pension contributions	15,464	22,390
	<u>369,599</u>	<u>572,390</u>
	2015 £	2014 £
<b>Highest-paid director</b>		
Aggregate remuneration in respect of qualifying services	235,000	290,000
Company pension contributions	11,300	12,240
	<u>246,300</u>	<u>302,240</u>

## KWM EUME Services

### Notes to the financial statements Year ended 30 April 2015

#### 5. Tax on profit on ordinary activities

Factors affecting the tax charge for the current year:

	2015 £	2014 £
Profit on ordinary activities before tax	2,841,656	1,370,104
Tax at 20.92% thereon (2014: 22.84%)	594,474	312,932
Effects of:		
Tax on transfer pricing adjustment	-	294,622
Tax on transfer pricing adjustment borne by another group undertaking	-	43,709
Tax on disallowables	-	-
Current tax for the year	594,474	651,263

#### 6. Debtors: amounts falling due within one year

	2015 £	2014 £
Amounts owed by group undertakings	7,482,844	5,102,283
Prepayments and accrued income	362,266	1,553,116
Other debtors	1,073,014	683,582
	8,918,124	7,338,981

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

	2015 £	2014 £
Trade creditors	1,409,557	2,012,275
Corporation tax	221,728	269,317
Other taxation and social security	1,209,485	1,059,966
Accruals and deferred income	3,125,528	2,517,023
Overdraft	-	295,926
Other creditors	677,545	310,654
	6,643,843	6,465,161

## KWM EUME Services

### Notes to the financial statements Year ended 30 April 2015

#### 8. Called up share capital

	2015	2014
	£	£
<b>Allotted, called up and not yet paid:</b>		
2 ordinary shares of £1 each	2	2

#### 9. Reconciliation of movements in shareholders' funds

	2015	2014
	£	£
Profit for the year	2,247,182	718,841
Dividends paid	(718,814)	-
Opening shareholders' funds	783,822	64,981
Closing shareholders' funds	2,312,190	783,822

#### 10. Ultimate controlling entity and related party transactions

The entire share capital of the company is held by King & Wood Mallesons LLP, a firm of solicitors in which W J Boss, R P Day, P W Anderson are members. During the year the company charged fees of £73,943,587 (2014: £68,014,910) to King & Wood Mallesons LLP, 10 Queen Street Place, London, EC4R 1BE, and its subsidiary undertakings in respect of the provision of office services, and those directors therefore had a material interest in those transactions.

The company is a subsidiary undertaking of King & Wood Mallesons LLP which is the company's immediate and ultimate parent and the ultimate controlling party. King & Wood Mallesons LLP is the only entity in which the amounts of the company are consolidated.