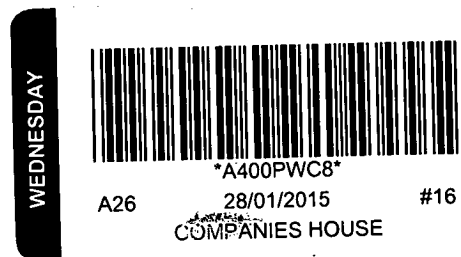


**Company Registration No. 02891688**

**SJ Berwin Services**

**Report and Financial Statements**

**30 April 2014**



# **SJ Berwin Services**

## **Report and financial statements 2014**

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# **SJ Berwin Services**

## **Report and financial statements 2014**

### **Officers and professional advisers**

#### **Directors**

P W Anderson  
R P Day  
S Gill

#### **Secretary**

S Gill

#### **Registered Office**

10 Queen Street Place  
London  
EC4R 1BE

#### **Bankers**

Barclays Bank PLC  
1 Churchill Place  
Canary Wharf  
London

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

#### **Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London

# **SJ Berwin 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 2014 the company employed staff and made the services of those staff available to King & Wood Mallesons LLP (formerly SJ Berwin 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 November 2013 SJ Berwin LLP changed its name to King & Wood Mallesons LLP.

Following changes in the tax legislation in October 2013, SJ Berwin Services changed the charging policy to King & Wood Mallesons LLP to an arms length basis, therefore generating a profit in the year.

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.

The balance sheet on page 8 of the financial statements shows that the company's financial position at the year end has remained broadly consistent with the prior year.

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



R P Day  
Director

23 January 2015

# **SJ Berwin Services**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 30 April 2014.

### **Results and dividends**

The profit for the year after taxation amounted to £718,841 (2013: £nil). The directors recommend that no amounts should be paid by way of dividend (2013: £nil).

### **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

R P Day

S Gill

S L Kosminsky (retired 17 June 2014)

## **SJ Berwin 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.

Deloitte LLP have expressed their willingness to be re-elected as auditor. A resolution to appoint the auditor 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



R P Day  
Director

23 January 2015

## **SJ Berwin 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 SJ Berwin Services**

We have audited the financial statements of SJ Berwin Services for the year ended 30 April 2014, which comprise the profit and loss account, the balance sheet, 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).

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**

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 2014 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 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.



Peter Saunders (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom  
23 January 2015



## SJ Berwin Services

### Profit and loss account Year ended 30 April 2014

	Notes	2014 £	2013 £
Turnover	2	68,014,910	66,765,314
Administrative expenses		(66,644,806)	(66,765,314)
<b>Operating profit and profit on ordinary activities</b>	3	1,370,104	-
Tax on profit on ordinary activities	5	(651,263)	-
<b>Profit on ordinary activities after taxation and retained profit for the year</b>	9	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.

## SJ Berwin Services

### Balance sheet 30 April 2014

	Notes	2014 £	2013 £
<b>Current assets</b>			
Cash		-	8,262
Debtors	6	7,248,981	6,367,396
Share capital unpaid		2	2
		<u>7,248,983</u>	<u>6,375,660</u>
<b>Creditors: amounts falling due within one year</b>	7	(6,465,161)	(6,310,679)
		<u>783,822</u>	<u>64,981</u>
<b>Total assets less current liabilities</b>			
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account		783,820	64,979
		<u>783,822</u>	<u>64,981</u>
<b>Shareholders' funds</b>			
		<u>783,822</u>	<u>64,981</u>

The financial statements of SJ Berwin Services (registered number 02891688) were approved by the Board of Directors on 23 January 2015.

Signed on behalf of the Board of Directors



R P Day  
Director

# **SJ Berwin Services**

## **Notes to the financial statements Year ended 30 April 2014**

### **1. Company status**

The company is an unlimited company having a share capital of £2 (2013: £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 £4,670 (2013: £4,583) have been borne by King & Wood Mallesons LLP.

# SJ Berwin Services

## Notes to the financial statements Year ended 30 April 2014

### 4. Information regarding directors and employees

The average number of persons (including directors) employed by the company during the year was 597 (2013: 597).

	2014 No.	2013 No.
<b>Staff numbers</b>		
Directors	3	3
Legal staff	278	288
Secretarial	94	104
Support and administration	222	202
	<u>597</u>	<u>597</u>
	£	£
<b>Staff costs for the above persons</b>		
Wages and salaries	37,482,942	37,111,916
Social security costs	4,229,409	4,300,921
Other pension costs	1,449,318	1,370,265
	<u>43,161,669</u>	<u>42,783,102</u>

None of the directors received any remuneration for their services to the company during the current year or the preceding financial year.

	2014 £	2013 £
<b>Directors' remuneration</b>		
Aggregate remuneration in respect of qualifying services	550,000	828,637
Compensation for loss of office	-	100,000
Company pension contributions	22,390	30,915
	<u>572,390</u>	<u>959,552</u>
	2014 £	2013 £
<b>Highest-paid director</b>		
Aggregate remuneration in respect of qualifying services	290,000	390,137
Company pension contributions	12,240	12,000
	<u>302,240</u>	<u>402,137</u>

## SJ Berwin Services

### Notes to the financial statements Year ended 30 April 2014

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

Factors affecting the tax charge for the current year:

	2014 £	2013 £
Profit on ordinary activities before tax	1,370,104	-
Tax at 22.84% thereon (2013: 23.92%)	312,932	-
Effects of:		
Tax on transfer pricing adjustment	294,622	638,325
Tax on transfer pricing adjustment borne by another group undertaking	-	(638,325)
Tax on disallowables	43,709	-
Current tax for the year	651,263	-

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

	2014 £	2013 £
Amounts owed by group undertakings	5,102,283	4,102,455
Prepayments and accrued income	1,553,116	1,580,172
Other debtors	683,582	684,769
	7,248,981	6,367,396

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

	2014 £	2013 £
Trade creditors	2,012,275	1,730,057
Corporation tax	269,317	307,034
Other taxation and social security	1,059,966	1,502,684
Accruals and deferred income	2,517,023	2,719,610
Overdraft	295,926	-
Other creditors	310,654	51,294
	6,465,161	6,310,679

## SJ Berwin Services

### Notes to the financial statements Year ended 30 April 2014

#### 8. Called up share capital

	2014	2013
	£	£
<b>Allotted, called up and not yet paid:</b>		
2 ordinary shares of £1 each	2	2

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

	2014	2013
	£	£
Profit for the year	718,841	-
Opening shareholders' funds	64,981	64,981
Closing shareholders' funds	783,822	64,981

#### 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 R P Day and P W Anderson are members. During the year the company charged fees of £68,014,910 (2013: £66,765,314) 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.