

Company Registration No. 3372229

**SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS)
Limited)**

Report and Financial Statements

30 April 2010



**SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)**

Report and financial statements 2010

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**SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)**

Report and financial statements 2010

Officers and professional advisers

DIRECTORS

SNR Denton Directors Limited (formerly DWS Directors Limited)
SNR Denton Managers Limited (formerly DWS Managers Limited)
Stephen Watson (appointed 6 December 2009) (resigned 17 December 2009)
Andrew David Harris (appointed 10 March 2010)

SECRETARY

Gray's Inn Secretaries Limited

REGISTERED OFFICE

One Fleet Place
London
EC4M 7WS

BANKERS

UmCredit Bank ZAO
9 Prechistenskaya Emb
Moscow
Russia 119034

HSBC Bank RR
18th Floor, 2 Paveletskaya sq , block 2
Moscow
Russia 115054

AUDITORS

Ernst & Young LLP
1 More London Place
London SE1 2AF

SNR Denton (CIS) Limited (formerly Denton Wilde Sapte (CIS) Limited)

Directors' report

Registered No 3372229

The directors present their report and the audited financial statements for the year ended 30 April 2010

Principal activity

The principal activity of the company is the supply of legal services in Moscow

Result & dividends

The loss for the year amounted to £308,337 (2009 – loss of £933,533)

A dividend of £nil (2009 - £200,000) was declared and paid during the year

Going Concern

The company is financed by SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) which has considerable financial resources and is expected to continue in operational existence for the foreseeable future. As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the uncertain economic outlook.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Directors

The directors who served throughout the year were as follows

SNR Denton Directors Limited (formerly DWS Directors Limited)

SNR Denton Managers Limited (formerly DWS Managers Limited)

Stephen Watson (appointed 6 December 2009)

Stephen Watson (resigned 17 December 2009)

Andrew David Harris (appointed 10 March 2010)

During the year ended 30 April 2010, the corporate shareholdings were controlled by the partners of SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) who are the beneficial owners of the company.

Directors' statement as to disclosure of information to auditors

So far as each person or company who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor each director has taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)**

Directors' report

(Continued)

Change of Name

The company changed its name from Denton Wilde Sapte (CIS) Limited to SNR Denton (CIS) Limited on 27 August 2010

Small companies exemption

In preparing the Directors' Report, the directors have taken advantage of the small companies exemption under section 415(A) of the Companies Act 2006

Auditors

In accordance with s 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Ernst & Young LLP as auditor of the Company

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



Andrew David Harris

Director 31 January 2011

SNR Denton (CIS) Limited (formerly Denton Wilde Sapte (CIS) Limited)

Statement of directors' responsibilities

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 judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent auditors' report to the members of SNR Denton (CIS) Limited (formerly Denton Wilde Sapte (CIS) Limited)

We have audited the financial statements of Denton Wilde Sapte (CIS) Limited for the year ended 30 April 2010 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes 1 to 15. 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 auditors

As explained more fully in the Directors' Responsibilities Statement 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 2010 and of its loss 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

**Independent auditors' report to the members of
SNR Denton (CIS) Limited (formerly Denton Wilde Sapte
(CIS) Limited) (continued)**

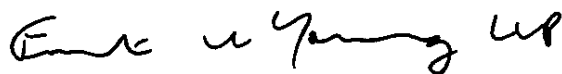
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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
- the directors were not entitled to prepare the financial statements and the director's report in accordance with the small companies regime



David Wilkinson (Senior statutory auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor

London

31 January 2011

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Profit and loss account
Year ended 30 April 2010

	Note	2010	2009
		£	£
Turnover	1	3,121,198	3,443,850
Administrative expenses		<u>(3,268,368)</u>	<u>(4,562,543)</u>
Operating loss	2	(147,170)	(1,118,693)
Interest receivable and similar income		<u>348</u>	<u>89</u>
Loss on ordinary activities before taxation		(146,822)	(1,118,604)
Tax on loss on ordinary activities	3	<u>(161,515)</u>	<u>185,071</u>
Loss on ordinary activities after taxation		<u><u>(308,337)</u></u>	<u><u>(933,533)</u></u>

All activities are derived from continuing operations

There are no recognised gains or losses other than stated above

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Balance sheet
30 April 2010

	Note	2010	2009
		£	£
Fixed assets			
Tangible assets	6	59,074	91,651
Current assets			
Debtors	7	1,972,978	2,578,002
Called up share capital not paid		2	2
Cash at bank and in hand		338,145	89,662
		2,311,125	2,667,666
Creditors' amounts falling due within one year	8	(2,851,027)	(2,931,808)
Net current liabilities		(539,902)	(264,142)
Total assets less current liabilities		(480,828)	(172,491)
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	(480,830)	(172,493)
Equity shareholders' deficit		(480,828)	(172,491)

These financial statements were approved by the Board of Directors on 31 June 2011

Signed on behalf of the Board of Directors



Andrew David Harris

Director

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Reconciliation of movements in equity shareholders' funds
Year ended 30 April 2010

	Note	2010	2009
		£	£
Opening shareholders' funds		(172,491)	961,042
Loss for the financial year		(308,337)	(933,533)
Dividends paid	5	-	(200,000)
Closing shareholders' deficit		(480,828)	(172,491)

SNR Denton (CIS) Limited **(formerly Denton Wilde Sapte (CIS) Limited)**

Notes to the financial statements **Year ended 30 April 2010**

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below which have been applied consistently in the current and previous year. The financial statements are prepared under the historical cost convention.

Going Concern

The company is financed by SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) which has considerable financial resources and is expected to continue in operational existence for the foreseeable future. As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the uncertain economic outlook.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Statement of cash flows

The company has taken advantage of the exemption available under Financial Reporting Standard No 1 not to prepare a statement of cash flows on the grounds that the parent undertaking includes the company in its own published financial statements.

Turnover

Turnover comprises fees rendered and accrued income.

Fees rendered represent the amounts billed to clients during the year in respect of completed work excluding the reimbursement of out of pocket expenses and value added tax.

Accrued income represents the value of time that remained unbilled at the year end where a right to consideration exists in respect of the services performed during the year. Where the right to consideration does not arise until the occurrence of a critical event, revenue is not recognised until that event occurs.

Fixed assets and depreciation

Fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computers	25%
Fixtures and fittings	20-25%

Foreign exchange

Transactions denominated in currencies other than pounds sterling are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in currencies other than pounds sterling at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Taxation

Current tax, including UK corporation tax and foreign 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.

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

1 Accounting policies (continued)

Dividends

Dividends are recognised on a receipts basis at the sterling equivalent (where known) of the amount received after adjusting for withholding tax

Leasing commitments

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded that it is more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. Operating loss

Operating loss is stated after charging

	2010	2009
	£	£
Depreciation	41,379	40,708
Auditors' remuneration	17,000	17,000

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

3. Tax on loss on ordinary activities

	2010	2009
	£	£
UK corporation tax at 28% (2009: 28%)		
Current Year	(14,918)	-
Prior year	15,021	(229,741)
	<u>103</u>	<u>(229,741)</u>
Foreign tax for current year	139,056	84,794
Foreign tax prior year adjustment	27,687	(46,136)
	<u>166,846</u>	<u>(191,083)</u>
Current taxation	166,846	(191,083)
Deferred taxation timing differences (note 9)	(5,331)	6,012
	<u>(5,331)</u>	<u>6,012</u>
Total taxation on loss on ordinary activities	<u>161,515</u>	<u>(185,071)</u>

The standard rate of tax for the year based on the UK standard rate of corporation tax is 28% (2009 – 28%)
The actual tax charge for the current year and the previous year differs from the standard rate in the UK for the reasons set out in the following reconciliation

	2010	2009
	£	£
Loss on ordinary activities before tax	(146,822)	(1,118,604)
Tax on loss ordinary activities at standard rate of 28% (2009: 28%)	(41,110)	(313,209)
Factors affecting charge for the year		
Non deductible expenditure	(31,538)	61,021
Timing differences	2,395	-
Capital allowances in excess of depreciation	4,723	(6,393)
Difference in tax rates on losses carried back	(918)	(16,956)
Group relief surrendered for nil payment	7,147	-
Prior period adjustments	42,708	(340)
Foreign tax on overseas earnings	139,056	84,794
Unrecognised tax losses	44,383	-
	<u>166,846</u>	<u>(191,083)</u>
Current tax charge on loss on ordinary activities	<u>166,846</u>	<u>(191,083)</u>

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

4. Employees and directors

	2010 No.	2009 No.
The average monthly number of employees during the year was	<u>47</u>	<u>69</u>
	£	£
The costs incurred in respect of these employees were		
Wages and salaries	1,703,757	2,568,735
Social security costs	<u>119,757</u>	<u>195,786</u>
	<u>1,823,514</u>	<u>2,764,521</u>

No remuneration was paid to the directors of the company for the year (2009 £nil) Stephen Watson and Andrew Harris are paid through SNR Denton UK LLP (formerly Denton Wilde Sapte LLP)

5 Equity dividends

	2010 £	2009 £
Final equity dividend for the year ended 30 April 2010 paid of £nil per share (2008 dividend paid in 2009 £100,000 per share)	<u>-</u>	<u>200,000</u>

6. Tangible fixed assets

	Computers £	Fixtures and fittings £	Total £
Cost			
At 1 May 2009	169,781	180,597	350,378
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 30 April 2010	<u>169,781</u>	<u>180,597</u>	<u>350,378</u>
Accumulated depreciation			
At 1 May 2009	128,960	129,767	258,727
Charge for the year	18,769	22,610	41,379
Foreign exchange movement	<u>(3,920)</u>	<u>(4,882)</u>	<u>(8,802)</u>
At 30 April 2010	<u>143,809</u>	<u>147,495</u>	<u>291,304</u>
Net book value			
At 30 April 2010	<u>25,972</u>	<u>33,102</u>	<u>59,074</u>
At 1 May 2009	<u>40,821</u>	<u>50,830</u>	<u>91,651</u>

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

7. Debtors

	2010	2009
	£	£
Trade debtors	863,517	1,169,453
Amounts owed by group undertakings	510,286	404,231
Prepayments	128,544	132,195
Accrued income	138,332	495,027
Corporation tax	328,259	378,387
Deferred tax (note 9)	4,040	(1,291)
	<u>1,972,978</u>	<u>2,578,002</u>

8 Creditors: amounts falling due within one year

	2010	2009
	£	£
Amounts owed to group undertakings	2,525,075	2,511,719
VAT	66,640	90,298
Accruals	259,312	329,791
	<u>2,851,027</u>	<u>2,931,808</u>

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

9. Deferred taxation

The amounts of deferred tax assets provided in the financial statements are

	2010 £	2009 £
Depreciation in excess of capital allowances	<u>4,040</u>	<u>(1,291)</u>

The movements in the provision for deferred taxation are as follows

	£
At 1 May 2009	(1,291)
Profit and loss account charge (note 3)	<u>5,331</u>
At 30 April 2010	<u>4,040</u>

The UK Government has announced that the headline rate of UK corporation tax will be reduced from 28% to 24% over the course of the next four years. As a result of this change, the estimated annual reduction in the company's deferred tax asset is expected to be £145.

A deferred tax asset of £44,383 in respect of accumulated tax losses carried forward has not been recognised, on the basis that it is uncertain that taxable profits will arise against which the losses will reverse.

10. Issued share capital

	2010 £	2009 £
Called up, allotted, issued at par and not yet paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

11. Profit and loss account

	£
At 1 May 2009	(172,493)
Loss for the year	<u>(308,337)</u>
At 30 April 2010	<u>(480,830)</u>

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

12. Related party transactions

Related party transactions arise through provision of assistance on legal matters undertaken by other group entities, and management fees owed to DH Employment Services Limited in respect of employment services rendered

	2010 £	2009 £
Debtor		
At 30 April		
SNR Denton (Paris)	289,162	290,267
SNR Denton (Abu Dhabi office)	172,670	66,433
SNR Denton (Qatar office)	19,520	17,645
SNR Denton (Kuwait office)	28,275	29,209
SNR Denton (Oman office)	658	677
	<u>510,286</u>	<u>404,231</u>
Creditor		
At 30 April		
DH Employment Services Ltd	1,810,833	1,810,833
SNR Denton UK LLP (formerly Denton Wilde Sapte LLP)	592,637	607,530
SNR Denton Cairo	51,375	18,420
SNR Denton Kazakhstan Ltd (formerly Denton Wilde Sapte Kazakhstan Ltd)	12,710	16,147
SNR Denton Istanbul	18,431	19,039
SNR Denton EGL	14,385	13,650
SNR Denton Singapore	4,606	2,003
SNR Denton Dubai	5,962	4,079
SNR Denton CA Ltd (formerly Denton Wilde Sapte CA Ltd)	14,136	20,018
	<u>2,525,075</u>	<u>2,511,719</u>

SNR Denton (CIS) Limited
(formerly Denton Wilde Sapte (CIS) Limited)

Notes to the financial statements
Year ended 30 April 2010

13 Obligations under leases and hire purchase contracts

Annual commitments under non-cancellable operating leases are as follows

	<i>Land and buildings</i>	<i>Land and buildings</i>
	2010	2009
	£	£
Operating leases which expire		
Within one year	356,321	129,333
Within five years	1,425,286	-
	<hr/>	<hr/>
	1,781,607	129,333
	<hr/>	<hr/>

14 Immediate and ultimate parent undertaking

The directors consider SNR Denton UK LLP (formerly Denton Wilde Sapte LLP) to be the ultimate and immediate parent entity and controlling party. SNR Denton UK LLP is the parent of the largest and smallest group in which SNR Denton (CIS) Limited is consolidated. Copies of the financial statements can be obtained from 1 Fleet Place, London, EC4M 7WS.

15 Events since the balance sheet date

The company changed its name from Denton Wilde Sapte (CIS) Limited to SNR Denton (CIS) Limited on 27 August 2010. The ultimate parent entity, Denton Wilde Sapte LLP changed its name to SNR Denton UK LLP on 30 September 2010.