

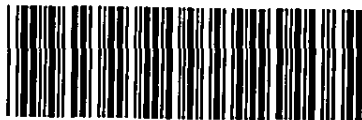
Company Registration No: 3375920

Clifford Chance London Limited

Report and Financial Statements

30 April 2011

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Clifford Chance London Limited

Report and financial statements 2011

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Clifford Chance London Limited

Report and financial statements 2011

Officers and professional advisers

Directors

J Baird	Resigned 30 April 2011
D J Bickerton	Appointed 21 December 2010
D R Childs	
D Dunnigan	
D Harkness	
R W Moore	Resigned 17 November 2010
C C Perrin	
S Popham	Retired 30 April 2011
J V Sandelson	
M J Sweeting	Appointed 21 December 2010

Secretary

TMF Corporate Secretarial Services

Registered Office

10 Upper Bank Street
London
E14 5JJ

Auditor

Deloitte LLP
Chartered Accountants
London

Clifford Chance London Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2011

Principal activities and Business Review

The company is a wholly owned subsidiary of Clifford Chance LLP

The principal activity of the company is the supply of personnel, premises and other services to Clifford Chance LLP. There have been no events since the balance sheet date which materially affect the position of the company.

The directors are satisfied with the level of business and the company's position at 30 April 2011 and propose to continue with the current activities in the next financial year.

The income statement for the year is set out on page 6, and the balance sheet on page 8.

The total revenue for the year was £226.1m (2010: £191.2m). The profit before tax for the year was £0.03m (2010: £1.1m). The average number of staff employed by the company was 1,709 (2010: 1,787) people.

Principal risks and uncertainties

The company does not use derivatives to manage its financial risks. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk, and price risk. The directors consider none of these risks are applicable to this company.

Results and dividends

The income statement for the year is set out on page 6.

No dividends have been paid or proposed for the year ended 30 April 2011 (2010: £nil).

Directors

The directors of the company who served during the year and up to the date of approval of the accounts, except as noted were -

J Baird	Resigned 30 April 2011
D J Bickerton	Appointed 21 December 2010
D R Childs	
D Dunnigan	
D Harkness	
R W Moore	Resigned 17 November 2010
C C Perrin	
S Popham	Retired 30 April 2011
J V Sandelson	
M J Sweeting	Appointed 21 December 2010

Clifford Chance London Limited

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.

The company employs disabled persons where the requirement of the job and the individual's disability make this possible. The company accepts the need to maintain and develop the careers of disabled employees and supports training and other programmes to that end.

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

Prompt payment policy

It is the company's policy to negotiate terms with its suppliers in all sectors and to ensure that they know the terms on which payments will take place when the business is agreed. It is our policy to abide by these terms.

Disclosure of information to the auditor

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

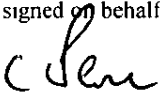
- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the company's auditor is unaware, and
- each of the directors has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Auditor

On 17 September 1997, the company passed an elective resolution to dispense with the obligation to appoint an auditor annually in accordance with section 386(1) of the Companies Act 2006. Therefore, the auditor, Deloitte LLP, will be deemed to be reappointed for the succeeding financial year.

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



Chris Perrin

16 December 2011

Clifford Chance London 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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, International Accounting Standard 1 requires that directors

- * properly select and apply accounting policies,
- * present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- * provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- * make an assessment of the company's ability to continue as a going concern

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 auditor's report to the members of Clifford Chance London Limited

We have audited the financial statements of Clifford Chance London Limited for the year ended 30 April 2011 which comprise the income statement, the balance sheet, the statement of comprehensive income/losses, the statement of changes in equity, the cash flow statement and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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. 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 2011 and of its profit for the year then ended
- * have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- * have been prepared in accordance with the requirements of the Companies Act 2006

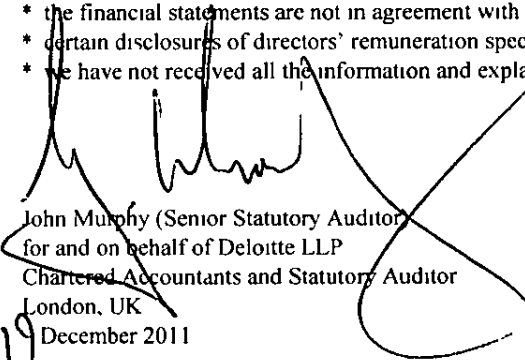
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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


John Murphy (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK

19 December 2011

Clifford Chance London Limited

Income statement Year ended 30 April 2011

	Notes	2011 £000's	2010 £000's
Revenue	1	226,147	191,180
Administrative expenses	3	(224,678)	(189,863)
Profit from operations		1,469	1,317
Net finance costs	7	(1,437)	(2,440)
Profit/(loss) from operations before tax	2	32	(1,123)
Taxation	4	416	326
Profit/(Loss) after tax and profit/(loss) retained for the financial year		448	(797)

All results arise from continuing operations

Clifford Chance London Limited

Statement of comprehensive income/(losses) Year ended 30 April 2011

	2011 £000's	2010 £000's
Income/(losses) for the year	448	(797)
	<hr/>	<hr/>
Total comprehensive income/(losses) for the year	448	(797)
	<hr/> <hr/>	<hr/> <hr/>

Clifford Chance London Limited

Registered no 3375920

Balance sheet

30 April 2011

	Notes	2011 £000's	2010 £000's
Retirement benefit asset	7	-	1,486
Current assets			
Receivables	5	29,705	24,439
Cash and cash equivalents		649	147
Total current assets		30,354	24,586
Total assets		30,354	26,072
Non current liabilities			
Deferred tax liability	8	-	(416)
Retirement benefit liability	7	(2,144)	-
Current liabilities			
Current tax liability		(2,322)	(1,302)
Trade and other payables	6	(23,179)	(22,093)
Total liabilities		(27,645)	(23,811)
Net assets		2,709	2,261
Equity			
Share capital	9	1,100	1,100
Retained earnings	10	1,609	1,161
Shareholders' funds		2,709	2,261

These financial statements were approved by the Board of Directors
16 December 2011

Signed on behalf of the Board of Directors



Chris Perrin
Director

Clifford Chance London Limited

Statement of changes in equity Year ended 30 April 2011

	Share capital £000's	Retained earnings/(losses) £000's	Total equity £000's
Balance at 1 May 2009	1,100	1,958	3,058
Loss for the year	-	(797)	(797)
Total comprehensive income for the year	-	(797)	(797)
Balance at 30 April 2010	1,100	1,161	2,261
Profit for the year	-	448	448
Total comprehensive profits for the year	-	448	448
Balance at 30 April 2011	1,100	1,609	2,709

Clifford Chance London Limited

Cash flow statement Year ended 30 April 2011

	Notes	2011 £000's	2010 £000's
Net cash inflow/(outflow) from operating activities	11	502	(21)
Net increase/(decrease) in cash and cash equivalents	12	502	(21)
Cash and cash equivalents at beginning of year		147	168
Cash and cash equivalents at end of year		649	147

Clifford Chance London Limited

Notes to the accounts Year ended 30 April 2011

1. Accounting policies

The company is incorporated in the Great Britain under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operation and its principal activities are set out in the Directors' Report. The financial statements have been prepared in accordance with IFRSs adopted for use in the European Union (EU) and therefore comply with Article 4 of the EU International Accounting Standards (IAS) regulation.

The financial statements have been prepared on the historical cost basis.

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in the financial statements were in issue but not yet effective:

- * IFRS 9 Financial Instruments
- * IFRS 10 Consolidated Financial Statements
- * IFRS 11 Joint Arrangements
- * IFRS 12 Disclosure of Interests in Other Entities
- * IFRS 13 Fair Value Measurement
- * IAS 24 (revised 2009) Related Party Disclosures
- * IAS 32 (amended) Classification of Rights Issues
- * IFRIC 14 (amended) Prepayment of a Minimum Funding Requirement
- * IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The directors anticipate that the adoption of these Standards and interpretations in future periods will not have a material effect on the financial statements except for additional disclosures.

The accounting policies set out below have been applied consistently to all periods in these financial statements.

Critical accounting estimates and key sources of estimation

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgements. It also requires management to exercise judgement in the process of applying the accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the opinion of the directors, the only critical accounting estimates and key sources of estimation relevant to these accounts are the assumptions used in the valuation of the pension scheme, see note 7.

Going concern

After making enquiries and taking into account possible changes in trading performance in light of uncertainty related to currently unfavourable economic conditions, and other longer term plans, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Pension scheme

Clifford Chance London Limited operated a defined benefit scheme based on final pay and pensionable service at retirement. The scheme was closed with effect from 30 April 2011.

The scheme's assets are invested independently of the company. Contribution levels to the scheme are as advised by independent actuaries. The most recent actuarial valuation of the scheme's assets was performed as at 30 April 2010, and on actuarial advice the present funding rate was set at 12.3%.

Pension costs in relation to defined benefit schemes are recognised in accordance with International Accounting Standard 19 - Employee Benefits ("IAS 19").

The cost of providing benefits is determined using the Projected Unit Method. Full actuarial valuations are carried out every three years and the Scheme actuary updates these at each balance sheet date for the purposes of IAS 19.

Clifford Chance London Limited

Notes to the accounts Year ended 30 April 2011

1 Accounting policies (continued)

The net periodic pension costs, including the amortisation of the unrecognised obligation described below, is charged to the income statement. Past service cost is recognised immediately in the income statement to the extent that the benefits are already vested and otherwise amortised on a straight-line basis over the average period until the benefits become vested.

The full retirement obligation represents the present value of the obligation to provide benefits, as adjusted for unrecognised past service costs, less fair value of the Scheme's assets. The cumulative amount of this obligation which has resulted from actual experience differing from the actuarial assumptions, less an allowance amounting to the greater of 10% of the obligation and 10% of the value of the Scheme's assets, is amortised through the income statement over the estimated remaining service lives of Scheme members. Accordingly, the balance sheet liability represents the full retirement benefits obligation less the amount that has yet to be amortised.

Revenue

Revenue, which is stated net of VAT, represents amounts receivable from Clifford Chance LLP in the United Kingdom other than revenue of £168,000 (2010: £231,000) receivable from a third party. Revenue is recognised as services are provided.

Taxation

Current tax, including 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 substantially enacted by the balance sheet date.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

Financial instruments

Financial assets and financial liabilities are recognised in the financial statements when the company becomes a party to the contractual provisions of the instrument.

Operating leases

Payments made under operating leases and any lease incentives are recognised in the income statement on a straight line basis over the term of the lease.

Clifford Chance London Limited

Notes to the accounts

Year ended 30 April 2011

2 Profit/(loss) from operations before tax

	2011 £'000	2010 £'000
Profit/(loss) from operations before tax is stated after charging		
Fee payable to the Company's auditor for the audit of the financial statements	8	8

Operating leases

Lease payments under administration expenses recognised in the income statement for the year

	2011 £'000	2010 £'000
Property rent and charges	37,195	12,366
	<u>37,195</u>	<u>12,366</u>

At the balance sheet date, outstanding commitments under non-cancellable operating leases, were as follows

	2011 £'000	2010 £'000
Property rent		
Less than one year	34,309	38,678
Between one and five years	162,556	161,703
More than five years	560,022	598,893
	<u>756,887</u>	<u>799,274</u>

No non-audit services were provided by the auditor to the company in the year (2010 £nil)

None of the directors received any remuneration for services as a director of Clifford Chance London Limited (2010 £nil)

3 Administrative expenses

	2011 £'000	2010 £'000
Administrative expenses include the following		
Wages and salaries	110,302	126,628
Social security costs	13,649	14,022
Other pension costs	11,146	7,538
Total staff costs	<u>135,097</u>	<u>148,188</u>
Lease costs	54,590	20,985
Other	34,991	20,690
	<u>224,678</u>	<u>189,863</u>

Clifford Chance London Limited

Notes to the accounts

Year ended 30 April 2011

3 Administrative expenses (cont)

The average monthly number of persons employed by the company was

	2011 No	2010 No
Lawyers	609	649
Trainee solicitors	184	177
Support staff	916	961
	<u>1,709</u>	<u>1,787</u>

4 Taxation

	2011 £'000	2010 £'000
Corporation tax on (loss) for the year at 28% (2010 28%)	-	-
Deferred tax (credit) for the year	(416)	(326)

The tax charge for the year is lower than that resulting from applying the standard rate of corporation tax in the UK 27.83% (2010 28%). The differences are explained below

	2011 £'000	2010 £'000
Profit/(loss) on ordinary activities before tax	<u>32</u>	<u>(1 123)</u>
Tax at 27.83% (2010 28%) thereon	9	(314)
Effects of		
Net credit to the income statement in respect of the application of IFRS 19	3,502	2,794
Pension contributions made during the year	(2,492)	(2 468)
Deferred tax liability on retirement benefit asset (note 8)	(416)	(326)
Tax on transfer pricing adjustment - current year	4,406	3,746
- prior year	(139)	-
Payable by Clifford Chance LLP for tax on transfer pricing adjustment	(4,570)	(3 758)
Group relief claimed for no payment	(716)	
	<u>(416)</u>	<u>(326)</u>

Under the UK-UK transfer pricing legislation introduced in FA 2004 the directors recognise that the company has not charged Clifford Chance LLP, the controlling shareholder, at an arm's length charge for the services rendered to the LLP. Although no increase is proposed in the management fee in respect of the year ended 30 April 2011, it is recognised that a profit will, for tax purposes be deemed to arise in the company and will be material in the context of the company's net assets. However the company has received an undertaking from Clifford Chance LLP that the corporation tax liability on the adjusted profit will be borne by the LLP and so no provision for the liability is made in the company's accounts.

5 Receivables

	2011 £'000	2010 £'000
Amounts due from ultimate parent undertaking	17,656	14,696
Other receivables	3,869	2,001
Prepayments	8,180	7,742
	<u>29,705</u>	<u>24 439</u>

Clifford Chance London Limited

Notes to accounts Year ended 30 April 2011

6 Trade and other payables

	2011 £'000	2010 £'000
Other taxation and social security	6,167	5,273
Accruals	17,012	16,820
	<u>23,179</u>	<u>22,093</u>

7 Retirement benefit liability/(asset)

Certain employees of Clifford Chance London Limited participated in a pension scheme (the "Scheme") of which Clifford Chance Pension Trustees Limited is the trustee providing benefits based on final pensionable salary and pensionable service. The assets of the Scheme are held separately from those of the Firm. The Scheme was closed with effect from 30 April 2011.

Payments into the Scheme are assessed in accordance with the advice of an independent qualified actuary with the funding rate intended to enable the Scheme to be fully funded over time. A full actuarial valuation of the Scheme was carried out as at 30 April 2011 by a qualified independent actuary. The key assumptions used in updating these calculations are set out below.

	2011	2010
Long-term rate of return on assets	7.40%	7.40%
Discount rate	5.50%	5.70%
Future pension increases - pensions accrued prior to 30 April 2005	3.35%	3.45%
Future pension increases - pensions accrued after 30 April 2005	2.25%	2.40%
Price and salary inflation	3.45%	3.60%

Mortality assumptions have been based on SAPS Light tables with CMI 2009 improvements (2009: 90% of the PNA00 mortality tables), projected according to each member's year of birth. In addition, the assumptions for both years include an allowance for increased longevity; the current valuation assumes a long-term rate of improvement of 1.0% per annum (2010: an allowance based upon the widely adopted "medium cohort" projections).

The factors which have the most significant effect on the valuation are the discount rate, the amount by which the discount rate exceeds the assumed rate of pension increases and the mortality assumptions.

The amounts recognised in the income statement are as follows:

	2011 £'000	2010 £'000
Current service costs	4,511	3,509
Recognised net actuarial losses	6,635	4,029
	<u>11,146</u>	<u>7,538</u>
Interest on obligations	17,554 (16,117)	14,939 (12,499)
	<u>1,437</u>	<u>2,440</u>
Cost shown under financing costs		
	<u>12,583</u>	<u>9,978</u>
Net charge to income statement		

Clifford Chance London Limited

Notes to the accounts Year ended 30 April 2011

7. Retirement benefit liability/(asset) (cont.)

The amount included in the balance sheet arising from the obligation in respect of the Scheme is as follows

	2011	2010
	£'000	£'000
Present value of defined benefit obligation	343,250	307,801
Fair value of plan assets	(243,350)	(215,465)
Present value of net obligation	99,900	92,336
Unrecognised actuarial losses	(97,756)	(93,822)
Liability/(asset) of defined benefit pension scheme	<u>2,144</u>	<u>(1,486)</u>

Movements in the amount recognised in the balance sheet were as follows

	2011	2010
	£'000	£'000
Net asset at start of year	(1,486)	(2,650)
Contributions made	(8,953)	(8,814)
Charge recognised in the income statement	12,583	9,978
Net liability/(asset) at end of year	<u>2,144</u>	<u>(1,486)</u>

Movements in the present value of defined benefit obligation in the current year were as follows

	2011	2010
	£'000	£'000
At the beginning of the year	307,801	216,522
Interest on obligation	17,554	14,939
Service cost	4,511	3,509
Actuarial losses	17,579	76,376
Benefits paid	(4,195)	(3,545)
At the end of the year	<u>343,250</u>	<u>307,801</u>

Notes to the accounts
Year ended 30 April 2011

7 Retirement benefit liability/(asset) (cont)

Movements in the fair value of Scheme assets were as follows

	2011	2010
	£'000	£'000
At the beginning of the year	215,465	159,246
Expected return on Scheme assets	16,117	12,499
Actuarial gains	7,010	38,451
Contributions made	8,953	8,814
Benefits paid		(3,545)
At the end of the year	<u>247,545</u>	<u>215,465</u>

The fair value of Scheme assets and the expected rate of return were as follows

	30 April 2011			30 April 2010		
	Expected rate of return %	Value £'000	% of total value	Expected rate of return %	Value £'000	% of total value
Equities	8.0%	174,541	72%	8.0%	149,564	69%
Bonds	5.5%	50,922	21%	5.7%	51,119	24%
Other assets	8.5%	17,887	7%	8.0%	14,782	7%
	<u>7.4%</u>	<u>243,350</u>		<u>7.4%</u>	<u>215,465</u>	

The overall expected return on assets is calculated as the weighted average of the expected returns on each individual asset class. The expected returns are set by reference to market indicators, including price inflation, dividend yields, economic growth, yields on index-linked gilts and bonds and interest rates.

The following table summarises the history of experience gains and losses

	2011	2010	2009	2008
	£'000	£'000	£'000	£'000
Present value of defined benefit obligations	343,250	307,801	216,522	234,773
Fair value of Scheme assets	(243,350)	(215,465)	(159,246)	(189,555)
Present value of net obligations	<u>99,900</u>	<u>92,336</u>	<u>57,276</u>	<u>45,218</u>
Experience adjustment on Scheme liabilities				
Actuarial increase in Scheme liabilities	17,579	76,376	(36,489)	(6,852)
Percentage of Scheme liabilities	5%	25%	(17%)	(3%)
Experience adjustment on Scheme assets				
Actuarial increase in Scheme assets	7,010	38,451	(52,873)	(18,104)
Percentage of Scheme assets	3%	18%	(33%)	(10%)

The estimated amount of contributions expected to be paid to the scheme during the year ending 30 April 2012 is £10.9 million

Clifford Chance London Limited

Notes to the accounts Year ended 30 April 2011

8. Deferred tax

	Retirement benefit obligations £'000	Total £'000
At 1 May 2009	742	742
Charge to income	(326)	(326)
As at 30 April 2010 - deferred tax liability	416	416
Credit to income	(416)	(416)
As at 30 April 2011 - deferred tax liability	-	-

9 Share capital

	2011 £'000	2010 £'000
Authorised share capital 1,100,000 shares of £1 each	1,100	1,100
Allotted, called up and fully paid 1,100,000 shares of £1 each	1,100	1,100

10 Statement of movements in equity

	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 May 2009	1,100	1,958	3,058
Retained loss	-	(797)	(797)
Balance at 30 April 2010	1,100	1,161	2,261
	Share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 May 2010	1,100	1,161	2,261
Retained profit	-	448	448
Balance at 30 April 2011	1,100	1,609	2,709

Clifford Chance London Limited

Notes to the accounts Year ended 30 April 2011

11 Reconciliation of profit from operations to net cash used by operating activities

	2011 £'000	2010 £'000
Profit from operations	1,469	1,317
(Increase)/decrease in receivables	(5,266)	6,076
Increase/(decrease) in trade and other payables	2,106	(6,138)
Adjustment for pension funding	2,193	(1,276)
Net cash generated/(used) by operating activities	502	(21)

12 Reconciliation of net cash flow to movement in net funds

	2011 £'000	2010 £'000
Net funds at start of year	147	168
Increase/(decrease) in cash in the year	502	(21)
Net funds at end of year	649	147

13 Interest in group undertakings

Clifford Chance London Limited holds all of the issued ordinary £1 share capital of Clifford-Turner Limited, a dormant company registered in England and Wales. Group accounts have not been prepared as the activities of the subsidiary are immaterial.

14 Ultimate parent undertaking

The company is beneficially owned by Clifford Chance LLP, a limited liability partnership registered in England and Wales. Clifford Chance London Limited provided employees to Clifford Chance in accordance with a service contract made between the two parties. All the company's material transactions derive from this relationship. At 30 April 2011 the amount due from Clifford Chance LLP to Clifford Chance London Limited was £17.7 million (2010: £14.7 million).

The smallest and largest group into which the results of Clifford Chance London Limited is consolidated and also the company's ultimate controlling party, is Clifford Chance LLP, a limited liability partnership registered in England and Wales. The financial statements of Clifford Chance LLP can be obtained from 10 Upper Bank Street, London, E14 5JJ.

Clifford Chance London Limited

Notes to the accounts

Year ended 30 April 2011

15 Financial assets and liabilities

The following information is provided in accordance with the requirements of IFRS 7, "Financial Instruments Disclosures"

Categories of financial assets and liabilities

The following table categorises the carrying value of the financial assets and liabilities of the company at the balance sheet date. In each case, the fair value is not materially different to the carrying value

	2011 £'000	2010 £'000
Financial assets - loans and receivables		
Amounts due from parent	17,656	14,696
Other receivables	3,869	2,001
Cash at bank and in hand	649	147
	<u>22,174</u>	<u>16,844</u>
Financial liabilities - at amortised cost		
Trade and other current payables excluding accruals and deferred income	8,489	6,575
	<u>8,489</u>	<u>6,575</u>

Risks arising from financial assets and liabilities

The following summarises the principal risks associated with the company's financial assets and liabilities and how those risks are managed

Liquidity risk

The business is predominantly funded by amounts received from group undertakings. The capital structure is reviewed regularly to ensure that it is adequate to fund the current and projected needs of the business.

Currency risk

The functional currency is Sterling in which all material cash flows take place.

Clifford Chance London Limited

Notes to the accounts Year ended 30 April 2011

15 Financial assets and liabilities (continued)

Credit risk

The only material credit risk relates to amounts due from the ultimate parent undertaking. The carrying amount of financial assets recorded in the financial statements represent the company's maximum exposure to credit risk as no collateral or other credit enhancements are held.

The ageing of receivables at the balance sheet date was as set out in the table below.

	Year ended 2011 £'000	Year ended 2010 £'000
Amounts not yet due	-	-
Amounts due		
0 - 2 months	21,525	16,697
2 - 4 months	-	-
4 - 8 months	-	-
8 - 12 months	-	-
Over 12 months	-	-
	<u>21,525</u>	<u>16,697</u>
Allowance for doubtful debts		-
Amounts due net of provision	<u>21,525</u>	<u>16,697</u>
Receivables	<u>21,525</u>	<u>16,697</u>

Maturity profile of financial liabilities

The following table shows the maturity profile of the company's financial liabilities at the balance sheet date.

2011 £'000	6 months or less	6-12 months	1-5 years	Other	Total
Trade and other current payables excluding accruals and deferred income	6,167	2,322	-	-	8,489
	<u>6,167</u>	<u>2,322</u>	<u>-</u>	<u>-</u>	<u>8,489</u>
2010 £'000	6 months or less	6-12 months	1-5 years	Other	Total
Trade and other current payables excluding accruals and deferred income	5,273	1,302	-	-	6,575
	<u>5,273</u>	<u>1,302</u>	<u>-</u>	<u>-</u>	<u>6,575</u>