

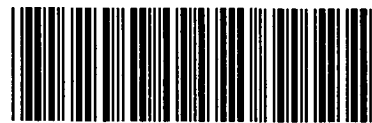
Company Registration No. 06023860

Ashurst Group Limited

Annual Report and Financial Statements

For the year ended 30 April 2016

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Ashurst Group Limited

Annual Report and financial statements for the year ended 30 April 2016

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Ashurst Group Limited

Annual Report and financial statements for the year ended 30 April 2016

Officers and professional advisers

Directors

P A Jenkins (appointed 1 June 2016)
B J C Tidswell
C Vigrass
J H Collis (resigned 31 May 2016)

Company Secretary

S D Beddow (appointed 1 September 2016)
B W Dunlop (resigned 31 August 2016)

Registered Office

Broadwalk House
5 Appold Street
London
EC2A 2HA

Bankers

National Westminster Bank Plc
P O Box No. 34
15 Bishopsgate
London
EC2P 2AP

Solicitors

Ashurst LLP
Broadwalk House
5 Appold Street
London
EC2A 2HA

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

Ashurst Group Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2016. This report has been prepared in accordance with the special provisions relating to small companies under section 415A of the Companies Act 2006.

Principal activity

The company's principal activity is to act as a holding company for certain operations of Ashurst LLP. The directors do not expect any change in the principal activity in the future.

Results

The result for the year ended 30 April 2016 was a profit after taxation of £365,539 (2015: profit of £272,365).

Events after the reporting period

On 15 June 2016 the decision was made by the Board of Ashurst LLP to close down the operations of the Swedish office. The announcement was made on 17 June 2016. An estimate of the financial effect cannot be made.

Principal risks and uncertainties

The company's management policy regarding liquidity risk is to ensure that it always has sufficient committed facilities available to meet its foreseeable needs.

The company's credit risk is primarily attributable to its debtor balance due from its parent undertaking, Ashurst LLP. Details of amounts owed by Ashurst LLP are given in note 6. The company manages this risk by continually monitoring the status of its debtors and receiving a written financial commitment from Ashurst LLP, as detailed below.

Going concern

The directors have considered the going concern assumption given the current economic climate and the net current liabilities of the company. Accordingly, the directors have reviewed the company forecasts and considered the financial commitment from its parent undertaking that they will provide sufficient funds to enable the company to pay creditors as they fall due for a period of at least 12 months from the date of signing these financial statements, which has been confirmed in writing.

After making enquiries and considering the above facts, 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 financial statements.

Directors

The directors who served during the year and thereafter unless otherwise stated are set out on page 1.

Ashurst Group Limited

Directors' report (continued)

Auditor

Each of the persons who is a director of the company at the date when this report was approved confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director 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 the provisions of section 418 of the Companies Act 2006.

A resolution to re-appoint Deloitte LLP as auditor will be proposed at the forthcoming Annual General Meeting.

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



B J Tidswell
Director

30 January 2017

Ashurst Group Limited

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; 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 auditor's report to the members of Ashurst Group Limited

We have audited the financial statements of Ashurst Group Limited for the year ended 30 April 2016 which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 14. 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) including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 2016 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.

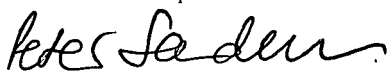
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the 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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report or the directors' report.



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

30 January 2017

Ashurst Group Limited

Profit and loss account for the Year ended 30 April 2016

| | Notes | 2016 £ | 2015 £ |
|--|-------|-----------|-----------|
| Administrative expenses | | (4,378) | (12,062) |
| Operating loss | 3 | (4,378) | (12,062) |
| Dividend income from investments | | 369,917 | 284,427 |
| Profit on ordinary activities before taxation | | 365,539 | 272,365 |
| Taxation | 4 | - | - |
| Profit on ordinary activities after taxation | 9 | 365,539 | 272,365 |

All results are derived from continuing operations.

The company has no items of other comprehensive income for the current or preceding financial years other than the results above. Therefore no separate of comprehensive income has been presented.

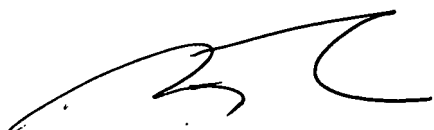
Ashurst Group Limited

Balance sheet As at 30 April 2016

| | Notes | 2016 £ | 2015 £ |
|---|-------|-------------|-------------|
| Fixed assets | | | |
| Investments | 5 | 1,315,542 | 1,311,137 |
| Current assets | | | |
| Debtors | 6 | 952,985 | 624,723 |
| Creditors: amounts falling due within one year | 7 | (1,902,986) | (1,663,493) |
| Net current liabilities | | (950,001) | (1,038,770) |
| Net assets | | 365,541 | 272,367 |
| Capital and reserves | | | |
| Called-up share capital | 8 | 2 | 2 |
| Profit and loss account | | 365,539 | 272,365 |
| Shareholder's funds | 9 | 365,541 | 272,367 |

These financial statements of Ashurst Group Limited (company no. 06023860) were approved by the Board of Directors and authorised for issue on 30 January 2017.

Signed on behalf of the Board of Directors



B J Tidswell
Director

Ashurst Group Limited

Statement of changes in equity As at 30 April 2016

| | Called-up share capital £ | Profit and loss account £ | Total £ |
|--|--|--|--------------------|
| At 30 April 2014 as previously stated | 2 | 259,550 | 259,552 |
| Changes on transition to FRS 102 (see note 14) | - | - | - |
| At 1 May 2014 as restated | 2 | 259,550 | 259,552 |
| Profit for the financial year | - | 272,365 | 272,365 |
| Dividends paid on equity shares | - | (259,550) | (259,550) |
| At 30 April 2015 | 2 | 272,365 | 272,367 |
| Profit for the financial year | - | 365,539 | 365,539 |
| Dividends paid on equity shares | - | (272,365) | (272,365) |
| At 30 April 2016 | 2 | 365,539 | 365,541 |

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

1. Accounting policies

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

General information and basis of accounting

Ashurst Group Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Directors report on pages 2 and 3.

The financial statements have been prepared under the historical cost convention modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The company is consolidated in the financial statements of its parent Ashurst LLP which are available to the public. Exemptions have been taken in these separate company financial statements in relation to financial instruments, and the presentation of a cash flow statement. As the company meets the definition of a qualifying entity under Companies Act therefore an exemption has also been taken from preparing the consolidated accounts.

After considering the financial commitment from the ultimate parent undertaking, which has been confirmed in writing, the directors have concluded that the company is a going concern and the financial statements have been prepared on that basis, as described in the Directors' Report.

Financial Instruments

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

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Investments

Investments are stated at cost less provision for any impairment.

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

1. Accounting policies (continued)

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

1. Accounting policies (continued)

Taxation (continued)

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The following are the critical judgements which involve estimates that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of investments

As disclosed in Note 13 the decision was made by the Board of Ashurst LLP to close the operations of the Swedish office post year. In view of this, Management have considered whether there are any indications of impairment and have carried out an impairment review of the carrying amount of the investment on the basis of the net asset position as per the latest balance sheet available prior to signing the accounts. The impairment review has not resulted in any impairment loss to be accounted for as on 30 April 2016.

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

3. Operating loss

Operating loss is after charging:

| | 2016 £ | 2015 £ |
|-------------------------------------|-----------|-----------|
| Auditor's remuneration – audit fees | 4,378 | 4,250 |

Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company are required to disclose such fees on a consolidated basis.

The company had no employees in the current or prior year.

None of the directors received any emoluments for services to the company during the current or prior year.

4. Tax charge on profit

The tax charge comprises:

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Total current tax – UK corporation tax | - | - |

The standard rate of tax applied to reported profit is 20 per cent (2015: 20.9 per cent). The applicable tax rate has changed following the substantive enactment of the Finance Act 2016.

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Profit before taxation | 365,539 | 272,365 |
| Tax on profit at standard UK corporate tax rate of 20 per cent (2015: 20.9 per cent) | 73,108 | 56,973 |
| Effects of: | | |
| Income not taxable in determining taxable profit | (73,108) | (56,973) |
| Total current tax for period | - | - |

Deferred taxation

A deferred tax asset has not been recognised in respect of excess management expenses as the company does not anticipate taxable profits to arise within the immediate future.

The estimated value of the deferred tax asset not recognised, measured at a standard rate of 20% (2015: 21%) is £8,900 (2015: £6,462).

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

5. Investments

| | 2016 £ | 2015 £ |
|--------------------------------|------------------|------------------|
| Cost and net book value | | |
| At 1 May | 1,311,137 | 1,328,355 |
| Additions | 9,518 | - |
| Disposal | (5,113) | (17,218) |
| At 30 April | <u>1,315,542</u> | <u>1,311,137</u> |

The disposal related to shares sold in the year.

As at 30 April 2016 Ashurst Group Limited owns shares in the following subsidiaries:

| Name | Nature of business | Country of incorporation or registration | Class of share | % |
|-----------------------|-----------------------------|--|----------------|------|
| Ashurst Holdings AB | Holding company | Sweden | Ordinary (A) | 100% |
| Ashurst Holdings AB | Holding company | Sweden | Ordinary (B) | 20% |
| Ashurst Advokatbyrå * | Provision of legal services | Sweden | Ordinary | 100% |

* Held directly by Ashurst Holdings AB.

Subsidiary undertakings have not been consolidated by Ashurst Group Limited as permitted by s.400 of the Companies Act 2006 as they are consolidated in the financial statements of Ashurst LLP.

6. Debtors

| | 2016 £ | 2015 £ |
|-----------------------------------|----------------|----------------|
| Amount due from group undertaking | 227,956 | 242,994 |
| Other loans | 1,182 | 1,182 |
| Dividend receivable | <u>723,847</u> | <u>380,547</u> |
| | <u>952,985</u> | <u>624,723</u> |

The amounts due from the group undertaking are non-interest bearing and are repayable on demand.

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

7. Creditors: amounts falling due within one year

| | 2016 £ | 2015 £ |
|---------------------------------|------------------|------------------|
| Loan from group undertaking | 1,345,682 | 1,463,019 |
| Amount due to group undertaking | 552,926 | 196,224 |
| Accruals | 4,378 | 4,250 |
| | <u>1,902,986</u> | <u>1,663,493</u> |

The amounts due to group undertaking are non-interest bearing and are repayable on demand.

8. Called up share capital

| | 2016 £ | 2015 £ |
|--|-----------|-----------|
| Called up, allotted and fully paid: | | |
| 2 ordinary shares of £1 | <u>2</u> | <u>2</u> |

9. Reconciliation of movements in shareholder's funds

| | Share capital £ | Profit and loss account £ | Total £ |
|------------------------------|-----------------------|------------------------------------|----------------|
| At 1 May 2015 | 2 | 272,365 | 272,367 |
| Dividends paid | - | (272,365) | (272,365) |
| Retained profit for the year | - | 365,539 | 365,539 |
| | <u>2</u> | <u>365,539</u> | <u>365,541</u> |
| At 30 April 2016 | 2 | 365,539 | 365,541 |

10. Dividends

A final dividend totalling £272,365 (£136,182.50 per ordinary share) was paid during the year (2015: £259,550).

11. Related party transactions

The company has taken advantage of the exemptions under FRS 102 – 33.1A, Related Party Disclosures not to disclose transactions with other wholly-owned entities in the Ashurst LLP group.

12. Ultimate controlling party

The directors regard Ashurst LLP, a limited liability partnership incorporated in the United Kingdom and registered in England and Wales, as the immediate and ultimate parent undertaking and the ultimate controlling party of the company. The only group in which the results of the company are consolidated is that headed by Ashurst LLP. Copies of the group financial statements can be obtained from Broadwalk House, 5 Appold Street, London EC2A 2HA.

Ashurst Group Limited

Notes to the financial statements (continued) for the Year ended 30 April 2016

13. Events after the reporting period

On 15 June 2016 the decision was made by the Board of Ashurst LLP to close down the operations of the Swedish office. The announcement was made on 17 June 2016. An estimate of the financial effect cannot be made.

14. Transition to FRS 102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The last financial statements under previous UK GAAP were for the year ended 30 April 2015 and the date of transition to FRS 102 was therefore 1 May 2014. The adoption has not resulted in any changes to the previously reported income statement or balance sheet.