

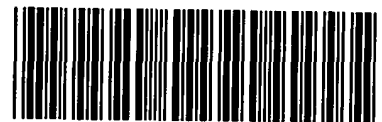
Company Registration No. 07466427

Taylor Wessing Services Limited

Annual report and financial statements

for the year ended 30 April 2022

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Taylor Wessing Services Limited

Report and financial statements 2022

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Taylor Wessing Services Limited

Report and financial statements 2022

Officers and professional advisers

Directors

S R Gleghorn
W Tomlinson
M S Lewis

Registered Office

5 New Street Square
London
EC4A 3TW

Bankers

National Westminster Bank PLC
Fleet Street Branch
PO Box 281
156 Fleet Street
London
EC4A 2DX

Solicitors

Taylor Wessing LLP
5 New Street Square
London
EC4A 3TW

Auditor

Deloitte LLP
Statutory Auditor
London

Taylor Wessing Services Limited

Strategic report

Principal activity and review of the business

The company employs and provides staff and other services to Taylor Wessing LLP.

The directors are pleased to report that the company has traded satisfactorily in the year under review. The directors consider the key indicator of the company's performance to be turnover. As shown in the company's profit and loss account on page 11, the company's turnover was 14% higher than the prior year reflecting the increase in our headcount and employment costs to support the growth of Taylor Wessing LLP.

The company's balance sheet on page 12 shows that the company's financial position remains satisfactory with total shareholders' funds of £2,755,597 (2021: £2,411,318).

The directors consider the company's current level of business activity and the year-end financial position to be satisfactory, and that this level of activity will be sustained for the foreseeable future.

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

Statement by the directors in performance of the statutory duties in accordance with s172(1) Companies Act 2006

The board of directors consider that they have acted in a way that would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have had regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the company.

The key business risk for the company is the need to maintain a good customer relationship with Taylor Wessing LLP, of which it is a wholly owned subsidiary, and so be able to continue to supply staff and services to that business.

Delivery of excellent service to the clients of Taylor Wessing LLP is core to our strategy. The high performance and development of our people in an inclusive and sustainable environment is key to achieving this. We believe in working together to achieve our shared goals for the long term success of the business, and ensuring our people are engaged and consulted in our decision making. Further information on employee consultation and our approach to inclusion are included within the Directors' Report.

The company is committed to being a responsible business and we actively encourage our people to get involved in supporting our chosen charities and volunteering in the community in addition to continually reducing our impact on the environment. More information is available at www.taylorwessing.com/responsiblebusiness.

Future developments

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

Taylor Wessing Services Limited

Strategic report

Financial risk management

The company is exposed to financial risk through its financial assets and liabilities. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk.

Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the only financial risks the directors consider relevant to this company are liquidity risk and credit risk. These risks are mitigated by careful monitoring during the year and, in particular, ensuring that charges to Taylor Wessing LLP are paid on a timely basis. The company does not manage financial risk by the use of derivative financial instruments.

Approved by the board and signed on its behalf by:



S R Gleghorn
Director

4 / 11 / 2022

Taylor Wessing Services Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2022.

Results and dividends

The result for the year is set out on page 11 in the profit and loss account.

A dividend of £2,411,317 (2021: £2,191,080) was declared and paid in the year.

Financial risk management

The financial position of the company is shown in the balance sheet on page 12. The company has no third party debt and has access to financial resources from its parent undertaking. Consequently, the directors believe that the company is well placed to manage its business risks successfully.

The Strategic report on page 3 provides further information on financial risk management.

Going concern

The directors have considered the going concern assumption given the current economic climate and have formed the conclusion that there is a reasonable expectation that the company will continue to operate for the foreseeable future.

The company supplies staff and services to Taylor Wessing LLP so is dependent upon the continuing operations and requirements of that business. Whilst the COVID-19 pandemic briefly restricted Taylor Wessing LLP's access to its offices, the nature of its business allows it to continue providing legal services remotely. This maintained its requirement for staff and services from the company and the directors consider the company to be well-prepared in the event of any future restrictions of that nature. The company is currently operating in a period of higher inflation but the directors have reviewed the risks this presents and consider that the company remains well placed to attract and retain staff to meet the requirements of Taylor Wessing LLP. The directors are of the opinion that projections prepared by the group remain strong and the reverse stress test scenarios are considered remote.

After making enquiries and considering the above, 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. Further information can be found in note 1 to these financial statements.

Employees

Our purpose is to achieve success for our people and the clients of Taylor Wessing LLP through a commitment to creativity, teamwork and technology. We do this by enabling our people to lead, learn and develop in an inclusive and sustainable environment.

The company promotes an inclusive culture which respects differences and treats everyone with dignity and fairness, eliminating all forms of discrimination. It is our policy to provide equality of opportunity in all aspects of employment, from recruitment and selection to career development and progression. We're committed to promoting inclusion in our procedures and in our internal and external relationships. We believe everyone can play a role in strengthening our culture by living our values on a day to day basis and we provide inclusivity training appropriate to an individual's role in our business.

We have a number of processes for communicating with our people and ensuring that they are aware of developments in the business.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. If someone becomes disabled during their employment, every effort is made to ensure their employment continues. This means appropriate adjustments and training will be explored. It is our policy that access to training, career development and promotion should, as far as possible, be identical for all employees.

Taylor Wessing Services Limited

Directors' report

Employee consultation

The company places considerable value on the involvement of our people and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and webcasts, intranet news items, weekly Managing Partner's newsletters and firmwide strategy updates by senior management. Survey software gathers regular feedback and gauges employee engagement on a range of issues. Employee representatives, through various forums e.g. the Associates Council, are consulted regularly on a wide range of matters affecting their current and future interests.

Directors

The directors of the company, who served during the year and up to the date of this report, were as follows:

S R Gleghorn
W Tomlinson
M S Lewis

Prospects

Details of future prospects can be found in the Strategic Report on page 2.

Auditor

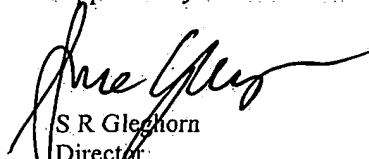
Each of the persons who are directors at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves 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 s418 of the Companies Act 2006.

Deloitte LLP has indicated its willingness to be reappointed for another term and appropriate arrangements for it to be deemed reappointed as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the board of directors and signed on its behalf by:


S. R. Gleghorn
Director
4 111/ 2022

Taylor Wessing Services 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". 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, 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.

Taylor Wessing Services Limited

Independent auditor's report to the members of Taylor Wessing Services Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Taylor Wessing Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 11.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Taylor Wessing Services Limited

Independent auditor's report to the members of Taylor Wessing Services Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Taylor Wessing Services Limited

Independent auditor's report to the members of Taylor Wessing Services Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Taylor Wessing Services Limited

Independent auditor's report to the members of Taylor Wessing Services Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.



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

4 November 2022

Taylor Wessing Services Limited

Profit and loss account For the year ended 30 April 2022

	Note	2022 £	2021 £
Turnover		71,441,386	62,515,630
Administrative expenses		<u>(68,039,416)</u>	<u>(59,538,695)</u>
Profit before taxation		3,401,970	2,976,935
Tax on profit	6	<u>(646,374)</u>	<u>(565,618)</u>
Profit for the financial year		<u><u>2,755,596</u></u>	<u><u>2,411,317</u></u>

All results are derived from continuing operations.

There are no other items of comprehensive income or expense in the current or prior year. Therefore no statement of other comprehensive income is presented.

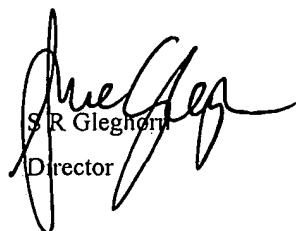
Taylor Wessing Services Limited

Balance sheet As at 30 April 2022

	Note	2022 £	2021 £
Current assets			
Debtors	7	11,004,639	10,757,326
Cash at bank and in hand		5,619,070	3,094,717
		<u>16,623,709</u>	<u>13,852,043</u>
Creditors: amounts falling due within one year	8	<u>(13,868,112)</u>	<u>(11,440,725)</u>
Net assets and total assets less current liabilities		<u>2,755,597</u>	<u>2,411,318</u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		<u>2,755,596</u>	<u>2,411,317</u>
Total shareholders' funds		<u>2,755,597</u>	<u>2,411,318</u>

The financial statements of Taylor Wessing Services Limited (registered number 07466427) were approved by the board of directors on 4 / 11 / 2022.

Signed on behalf of the board of directors by:


S R Gleghorn
Director

Taylor Wessing Services Limited

Statement of changes in equity For the year ended 30 April 2022

	Called up share capital £	Profit and loss account £	Total £
At 1 May 2020	1	2,191,080	2,191,081
Profit and total comprehensive income	-	2,411,317	2,411,317
Dividends paid	-	(2,191,080)	(2,191,080)
At 30 April 2021	1	2,411,317	2,411,318
Profit and total comprehensive income	-	2,755,596	2,755,596
Dividends paid	-	(2,411,317)	(2,411,317)
At 30 April 2022	1	2,755,596	2,755,597

Taylor Wessing Services Limited

Notes to the financial statements Year ended 30 April 2022

1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current and previous year.

Basis of accounting

Taylor Wessing Services Limited is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales under the Companies Act 2006. 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 strategic report on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Taylor Wessing Services Limited has taken advantage of the disclosure exemptions available to it as a qualifying entity under FRS 102 in relation to the presentation of a cash flow statement, financial instruments, related party transactions and remuneration of key management personnel. These disclosure exemptions are available to Taylor Wessing Services Limited as the relevant disclosures are made in its parent's consolidated financial statements.

Turnover

Turnover comprises amounts billed and receivable in respect of the supply of services to Taylor Wessing LLP. Fee income is recognised when services are delivered.

All turnover is recognised in relation to the principal activity of the company, and all arises within the United Kingdom.

Employee benefits

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other retirement benefits is the total of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

Current 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.

Financial instruments and equity

All financial assets and liabilities are initially measured at transaction price (including transaction costs). The business holds no financial assets classified as at fair value through profit or loss.

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.

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Taylor Wessing Services Limited

Notes to the financial statements (continued) **Year ended 30 April 2022**

1. Accounting policies (continued)

Going concern

The going concern basis has been adopted in preparing these financial statements.

The company supplies staff and services solely to its immediate parent entity, Taylor Wessing LLP and is therefore dependent on the LLP's requirement for and continuing ability to pay for these services. Taylor Wessing LLP has assessed the principal risks to its business (the provision of legal services) in the both the medium and longer term. The group expects its strong economic performance to continue but recognises that it is operating in a period of greater economic uncertainty and higher inflation. The key risks this presents to the group are a significant deterioration in the collection of trade debtors and pressure on its margins, through lower levels of demand from clients or inflation to its cost base.

The group has factored potential plausible downside scenarios into its profit and cash flow modelling to reflect a range of reductions to both turnover and receipt profiles. These have been modelled assuming various time periods of reduced activity. The group has also performed reverse stress testing on these models to determine the extent to which its income levels would need to reduce to put the group into a position where it was either in breach of the covenants on its borrowing facilities or had exhausted funding lines.

Taylor Wessing LLP delivers a broad range of services across a diverse client base which limits its exposure to the effects of a downturn in a particular sector. The group considers the reverse stress test scenario to be remote and expects that it will continue to be able to meet its obligations as they fall due for at least the next twelve months from the date of signing of these financial statements, as well as operating within the covenants of its revolving credit facilities.

Having considered the company's own forecasts and projections as a part of the group-wide modelling, the directors are satisfied that the company has adequate resources to continue in operational existence for the foreseeable future.

Government grants

Government grants are recognised based on the accrual model. Grants relating to revenue are recognised in other operating income over the period in which the related costs are recognised.

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. We have considered and concluded that there are no key sources of estimation uncertainty.

Critical judgements in applying the company's accounting policies

There are no key assumptions made by the management concerning the future, and no other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Taylor Wessing Services Limited

Notes to the financial statements (continued) Year ended 30 April 2022

3. Information regarding directors and employees

The average monthly number of full time equivalent employees was:

	2022 Number	2021 Number
Fee earners	319	294
Non fee earning professionals	24	21
Business services	317	313
	<u>660</u>	<u>628</u>

	2022 £	2021 £
Staff costs during the year:		
Wages and salaries	55,314,287	48,728,867
Social security costs	6,646,624	5,565,310
Pension costs	2,864,521	2,390,133
Consultants and other costs	3,186,322	2,811,258
	<u>68,011,754</u>	<u>59,495,568</u>

4. Directors' remuneration

	2022 £	2021 £
Emoluments	294,351	252,892
Company contributions to defined contribution pension schemes	4,290	3,525
	<u>298,641</u>	<u>256,417</u>

One director is a member of a money purchase pension scheme (2021: two).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Emoluments	189,833	167,126
Company contributions to defined contribution pension schemes	-	-
	<u>-</u>	<u>-</u>

Taylor Wessing Services Limited

Notes to the financial statements (continued) Year ended 30 April 2022

5. Operating profit

	2022 £	2021 £
Operating profit is stated after charging:		
Auditor's remuneration		
- Amounts payable for the audit of the company's annual financial statements	4,000	3,000

6. Tax on profit

	2022 £	2021 £
The total tax charge comprises:		
Current corporation tax charge on profits	646,374	565,618

There is no difference between the total tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before taxation. The tax charge comprises:

	2022 £	2021 £
Tax on profit at UK corporation tax rate of 19% (2021: 19%)	646,374	565,618

Factors that may affect future tax charges

The standard rate of tax applied to reported profit on ordinary activities is 19% (2021: 19%). In the March 2021 budget, the government announced that the standard rate of corporation tax in the UK for the year starting 1 April 2023 would increase to 25%, which was confirmed on 14 October 2022.

7. Debtors

	2022 £	2021 £
Amounts due from group undertakings	10,537,167	10,370,263
Other debtors	92,846	82,128
Prepayments and accrued income	374,626	304,935
	11,004,639	10,757,326

All amounts are due within one year.

Amounts due from group undertakings includes amounts which are unsecured, interest free and repayable on demand.

Taylor Wessing Services Limited

Notes to the financial statements (continued)

Year ended 30 April 2022

8. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	120,403	64,615
Other taxation and social security	3,550,356	2,659,753
Other creditors	499,396	375,358
Accruals and deferred income	9,697,957	8,340,999
	<u>13,868,112</u>	<u>11,440,725</u>

9. Called up share capital

	2022	2021
	£	£
Called up, allotted and fully paid:		
- 1 ordinary share of £1	<u>1</u>	<u>1</u>

10. Employee benefits

The total expense charged to the profit and loss in the year ended 30 April 2022 in respect of defined contribution pension schemes was £2,864,521 (2021: £2,390,133). Contributions totalling £258,425 (2021: £203,260) were payable at the year end.

11. Ultimate parent entity and controlling party

The immediate and ultimate parent undertaking and ultimate controlling party of the company is Taylor Wessing LLP, which is the only group of which the company is a member and for which group financial statements are drawn up. Copies of the financial statements of Taylor Wessing LLP, which include the results of Taylor Wessing Services Limited, are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.