

# **3HR Corporate Solicitors Limited (formally 3HR Legal Limited)**

Registered number: 08198795

## **Directors' report and financial statements**

**For the year ended 31 August 2015**

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# **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

## **COMPANY INFORMATION**

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<b>Directors</b>	Terence Bennett Thomas Miles Hiroko Mitomi
<b>Registered number</b>	08198795
<b>Registered office</b>	New Broad Street House 35 New Broad Street London EC2M 1 NH
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor Tower Bridge House St Katharine's Way London E1W 1DD

# **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

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# **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2015**

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The directors present their report and the audited financial statements for the year ended 31 August 2015.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

### **Directors**

The directors who served during the year were:

Terence Bennett  
Thomas Miles  
Hiroko Mitomi (appointed 1 September 2014)

### **Change of name**

The company changed its name from 3HR Legal Limited to 3HR Corporate Solicitors Limited on 28 January 2016.

# **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2015**

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### **Disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

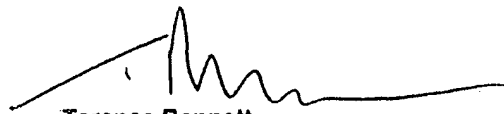
- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 23 February 2016 and signed on its behalf.



**Terence Bennett**  
Director

# **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

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We have audited the financial statements of 3HR Corporate Solicitors Limited (formally 3HR Legal Limited) for the year ended 31 August 2015 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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. 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.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2015 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 the 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.

## **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

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#### **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 in preparing the Directors' Report.

*Elisabeth Maxwell*

Elisabeth Maxwell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Tower Bridge House  
St Katharine's Way  
London  
E1W 1DD

Date:

*24<sup>th</sup> February 2016*

# 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

		31 August 2015 £	16 months ended 31 August 2014 £
	<b>Note</b>		
<b>Turnover</b>	<b>1,2</b>	878,495	983,425
Cost of sales		(22,350)	(10,181)
<b>Gross profit</b>		856,145	973,244
Administrative expenses		(850,749)	(861,420)
<b>Operating profit</b>	<b>3</b>	5,396	111,824
Interest receivable and similar income		15	-
<b>Profit on ordinary activities before taxation</b>		5,411	111,824
Tax on profit on ordinary activities	<b>7</b>	(1,354)	(25,583)
<b>Profit for the financial year</b>	<b>11</b>	4,057	86,241

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and Loss Account.

The notes on pages 7 to 12 form part of these financial statements.



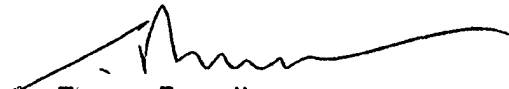
**3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

Registered number: 08198795

**BALANCE SHEET  
AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
<b>Current assets</b>					
Debtors	8	250,449		219,297	
Cash at bank		93,158		43,675	
		<u>343,607</u>		<u>262,972</u>	
<b>Creditors: amounts falling due within one year</b>	9	<u>(253,209)</u>		<u>(176,631)</u>	
<b>Net current assets</b>			90,398		86,341
<b>Total assets less current liabilities</b>			<u>90,398</u>		<u>86,341</u>
<b>Capital and reserves</b>					
Called up share capital	10		100		100
Profit and loss account	11		90,298		86,241
<b>Shareholders' funds</b>	12		<u>90,398</u>		<u>86,341</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

  
**Terence Bennett**  
 Director

23 February 2016.

The notes on pages 7 to 12 form part of these financial statements.

# **3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015**

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### **1. Accounting Policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

#### **1.2 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

#### **1.3 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

#### **1.4 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and Loss Account.

#### **1.5 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

# 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

### 2. Turnover

The whole of the turnover is attributable to the principal activity which is the provision of legal advice as authorised by the Solicitors Regulation Authority.

A geographical analysis of turnover is as follows:

	31 August 2015 £	16 months ended 31 August 2014 £
United Kingdom	868,679	965,891
Rest of world	9,816	17,534
	<u>878,495</u>	<u>983,425</u>

### 3. Operating profit

The operating profit is stated after charging:

	31 August 2015 £	16 months ended 31 August 2014 £
Difference on foreign exchange	-	(40)
	<u>-</u>	<u>(40)</u>

### 4. Auditors' remuneration

	31 August 2015 £	16 months ended 31 August 2014 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	4,650	3,350
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	1,030	1,000
All other non-audit services not included above	500	750
	<u>6,180</u>	<u>5,100</u>

# 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

### 5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	31 August 2015 £	16 months ended 31 August 2014 £
Wages and salaries	438,007	320,326
Social security costs	45,432	36,979
Other pension costs	21,925	11,913
	<u>505,364</u>	<u>369,218</u>

The average monthly number of employees, including the directors, during the year was as follows:

	31 August 2015 No.	16 months ended 31 August 2014 No.
	<u>11</u>	<u>6</u>

### 6. Directors' remuneration

	31 August 2015 £	16 months ended 31 August 2014 £
Remuneration	<u>55,000</u>	<u>124,212</u>
Company pension contributions to defined contribution pension schemes	<u>2,750</u>	<u>4,500</u>

During the year retirement benefits were accruing to 1 director (2014 - 2) in respect of defined contribution pension schemes.

# 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

### 7. Taxation

	31 August 2015 £	16 months ended 31 August 2014 £
<b>Analysis of tax charge in the year/period</b>		
UK corporation tax charge on profit for the year/period	-	3,190
	<u>-</u>	<u>3,190</u>
Group taxation relief	1,354	22,393
	<u>1,354</u>	<u>25,583</u>
<b>Tax on profit on ordinary activities</b>	<u>1,354</u>	<u>25,583</u>

#### Factors affecting tax charge for the year/period

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 20.58% (2014 - 20.15%). The differences are explained below:

	31 August 2015 £	16 months ended 31 August 2014 £
Profit on ordinary activities before tax	5,411	111,824
	<u>5,411</u>	<u>111,824</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.58% (2014 - 20.15%)	1,113	22,527
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	241	29
Group relief claimed	(1,354)	(19,343)
Tax credits	-	(23)
Payment for group relief	1,354	22,393
	<u>1,354</u>	<u>25,583</u>
<b>Current tax charge for the year/period (see note above)</b>	<u>1,354</u>	<u>25,583</u>

#### Factors that may affect future tax charges

The UK main rate of corporation tax changed from 21% to 20% at 1 April 2014. Accordingly the company profits are taxed at an effective rate of 20.58% (2014 - 20.15%). In addition it has been announced that the main rate will reduce from 20% to 18% by 2020.

# 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

### 8. Debtors

	2015 £	2014 £
Trade debtors	184,907	193,924
Amounts owed by group undertakings	16,998	-
Prepayments and accrued income	48,544	25,373
	<u>250,449</u>	<u>219,297</u>

### 9. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	19,358	16,082
Amounts owed to group undertakings	77,737	78,223
Corporation tax	-	3,190
Other taxation and social security	60,468	32,004
Other creditors	28,085	2
Accruals and deferred income	67,561	47,130
	<u>253,209</u>	<u>176,631</u>

### 10. Share capital

	2015 £	2014 £
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 11. Reserves

	Profit and loss account £
At 1 September 2014	86,241
Profit for the financial year	4,057
	<u>90,298</u>
At 31 August 2015	

# 3HR CORPORATE SOLICITORS LIMITED (FORMALLY 3HR LEGAL LIMITED)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

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### 12. Reconciliation of movement in shareholders' funds

	2015 £	2014 £
Opening shareholders' funds	86,341	100
Profit for the financial year/period	4,057	86,241
	<hr/>	<hr/>
Closing shareholders' funds	90,398	86,341
	<hr/>	<hr/>

### 13. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £21,925 (2014 - £11,913). Contributions totalling £nil (2014 - £nil) were payable to the fund at the balance sheet date.

### 14. Related party transactions

As a wholly owned subsidiary of 3HR plc, the company is exempt by virtue of FRS8 paragraph 3(c) from disclosing transactions with other members of the group headed by 3HR plc.

### 15. Post balance sheet events

On 28 January 2016 the company changed its name from 3HR Legal Limited to 3HR Corporate Solicitors Limited.

### 16. Ultimate parent undertaking and controlling party

The immediate parent undertaking is 3HR plc, a company registered in England and Wales. The ultimate controlling party is considered to be T Bennett, a director of this company and 3HR plc, by virtue of his shareholding in 3HR plc.