

# **3HR Corporate Solicitors Limited**

Registered number: 08198795

## **Annual report**

**For the year ended 31 August 2017**

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**3HR CORPORATE SOLICITORS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Terence Bennett Thomas Miles Hiroko Mitomi Melvyn Northfield Haiwei Li Rin Nitta
<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

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**3HR CORPORATE SOLICITORS LIMITED**

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**3HR CORPORATE SOLICITORS LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2017**

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The directors present their report and the financial statements for the year ended 31 August 2017.

**Principal activity**

The principal activity of the entity is the provision on legal advice in the areas of employment and commercial law, immigration law and HR support and outsourcing.

**Results and dividends**

The profit for the year, after taxation, amounted to £10,045 (2016: £119,615).

There were no dividends paid or proposed in the current and previous years.

**Directors**

The directors who served during the year were:

Terence Bennett  
Thomas Miles  
Hiroko Mitomi  
Melvyn Northfield  
Koichiro Nakada (resigned 29 May 2017)  
Haiwei Li (appointed 14 December 2016)  
Rin Nitta (appointed 4 January 2017)

**Future developments**

Over the coming year, the company intends to further strengthen its services offering in the fields of commercial law and property law. It also expects to expand its employment and immigration resources.

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**3HR CORPORATE SOLICITORS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements 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;
- 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 to 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.

**Provision 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 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 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.

**Post balance sheet events**

There have been no significant events affecting the company since the year end.

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**3HR CORPORATE SOLICITORS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**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 and signed on its behalf.

**Terence Bennett**  
Director



Date:

19 December 2017

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**3HR CORPORATE SOLICITORS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 3HR CORPORATE SOLICITORS LIMITED**

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**Opinion**

We have audited the financial statements of 3HR Corporate Solicitors Limited (the 'company') for the year ended 31 August 2017 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2017 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.

**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 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

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**3HR CORPORATE SOLICITORS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 3HR CORPORATE SOLICITORS LIMITED**

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In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

**Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 2, 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.



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**3HR CORPORATE SOLICITORS LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 3HR CORPORATE SOLICITORS LIMITED**

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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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

Elisabeth Maxwell (Senior statutory auditor)

*Elisabeth Maxwell*

for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

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

Date:

*99th December 2017*

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**3HR CORPORATE SOLICITORS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 AUGUST 2017**

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	Note	2017 £	2016 £
Turnover	4	1,886,198	1,629,294
Cost of sales		(88,862)	(131,504)
<b>Gross profit</b>		<u>1,797,336</u>	<u>1,497,790</u>
Administrative expenses		(1,783,675)	(1,347,082)
<b>Operating profit</b>	5	<u>13,661</u>	<u>150,708</u>
Interest receivable and similar income	9	<u>655</u>	<u>167</u>
<b>Profit before tax</b>		<u>14,316</u>	<u>150,875</u>
Tax on profit	10	(4,271)	(31,260)
<b>Profit for the financial year</b>		<u>10,045</u>	<u>119,615</u>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<u>10,045</u>	<u>119,615</u>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

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**3HR CORPORATE SOLICITORS LIMITED**  
**REGISTERED NUMBER: 08198795**

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**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 AUGUST 2017**

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	Note	2017 £	2016 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	468,315	548,509
Cash at bank and in hand	12	77,806	144,462
		<u>546,121</u>	<u>692,971</u>
Creditors: amounts falling due within one year	13	(326,063)	(482,958)
<b>Net current assets</b>		<u>220,058</u>	<u>210,013</u>
<b>Total assets less current liabilities</b>		<u>220,058</u>	<u>210,013</u>
<b>Net assets</b>		<u>220,058</u>	<u>210,013</u>
<b>Capital and reserves</b>			
Called up share capital	14	100	100
Profit and loss account	15	219,958	209,913
<b>Total equity</b>		<u>220,058</u>	<u>210,013</u>

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

**Terence Bennett**  
Director



Date:

19 December 2017

The notes on pages 10 to 18 form part of these financial statements.

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**3HR CORPORATE SOLICITORS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2017**

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2015	100	90,298	90,398
Profit for the year	-	119,615	119,615
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>119,615</b>	<b>119,615</b>
At 1 September 2016	100	209,913	210,013
Profit for the year	-	10,045	10,045
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>10,045</b>	<b>10,045</b>
<b>At 31 August 2017</b>	<b>100</b>	<b>219,958</b>	<b>220,058</b>

The notes on pages 10 to 18 form part of these financial statements.

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## 3HR CORPORATE SOLICITORS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 1. General information

3HR Corporate Solicitors Limited is a company limited by shares, incorporated in England and Wales. Its registered office is New Broad Street House, 35 New Broad Street, London, EC2M 1NH.

The principal activity of the entity is the provision of legal advice in the areas of employment and commercial law, immigration law and HR support and outsourcing.

The financial statements have been presented in Pounds Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest thousand pounds.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of 3HR Plc as at 31 August 2016 and these financial statements may be obtained from New Broad Street, 35 New Broad Street, EC2M 1NH, London, United Kingdom..

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**3HR CORPORATE SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)****2.3 Turnover**

*Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:*

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**2.4 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.5 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)**

**2.6 Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.7 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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## 3HR CORPORATE SOLICITORS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

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#### 2. Accounting policies (continued)

##### 2.8 Foreign currency translation

###### Functional and presentation currency

The company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

##### 2.9 Pensions

###### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

##### 2.10 Interest Income

Interest income is recognised in the statement of comprehensive income using the effective interest method.



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**3HR CORPORATE SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**2. Accounting policies (continued)****2.11 Taxation**

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

No significant judgments have had to be made by management in preparing these financial statements.

**4. Turnover**

An analysis of turnover by class of business is as follows:

	2017 £	2016 £
Provision of legal services	1,886,198	1,629,294
	<u>1,886,198</u>	<u>1,629,294</u>

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	1,886,198	1,629,294
	<u>1,886,198</u>	<u>1,629,294</u>

**5. Operating profit**

The operating profit is stated after charging:

	2017 £	2016 £
Exchange differences	-	(10)
Defined contribution pension cost	49,162	30,972
	<u>49,162</u>	<u>30,972</u>

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**3HR CORPORATE SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**6. Auditor's remuneration**

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	4,900	5,250
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
Taxation compliance services	1,080	1,080
All other services	3,280	3,280

**7. Employees**

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

	2017 £	2016 £
Wages and salaries	1,127,368	866,676
Social security costs	145,856	99,521
Cost of defined contribution scheme	49,162	30,972
	<u>1,322,386</u>	<u>997,169</u>

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

2017 No.	2016 No.
24	15

**8. Directors' remuneration**

	2017 £	2016 £
Directors' emoluments	493,523	270,904
Company contributions to defined contribution pension schemes	12,646	4,337
	<u>506,169</u>	<u>275,241</u>

During the year retirement benefits were accruing to 5 directors (2016 - 4) in respect of defined contribution pension schemes.

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**3HR CORPORATE SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**9. Interest receivable**

	2017 £	2016 £
Other interest receivable	655	167
	<u>655</u>	<u>167</u>

**10. Taxation**

	2017 £	2016 £
<b>Corporation tax</b>		
Current tax on profits for the year	4,571	31,260
Adjustments in respect of previous periods	(300)	-
<b>Taxation on profit on ordinary activities</b>	<u>4,271</u>	<u>31,260</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2016 - higher than) the standard rate of corporation tax in the UK of 19.58% (2016 - 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>14,316</u>	<u>150,875</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.58% (2016 - 20%)	2,803	30,175
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,768	1,085
Adjustments to tax charge in respect of prior periods	(300)	-
<b>Total tax charge for the year</b>	<u>4,271</u>	<u>31,260</u>

**Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 20% to 19% was substantively enacted in July 2015 and takes effect from 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020, was substantively enacted in September 2016.

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**3HR CORPORATE SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**11. Debtors**

	2017 £	2016 £
Trade debtors	378,324	501,646
Amounts owed by group undertakings	51,495	27,603
Other debtors	-	392
Prepayments and accrued income	38,496	18,868
	<u>468,315</u>	<u>548,509</u>

Amounts owed by group undertakings are interest free and repayable on demand.

**12. Cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	77,806	144,462
	<u>77,806</u>	<u>144,462</u>

**13. Creditors: Amounts falling due within one year**

	2017 £	2016 £
Trade creditors	17,428	36,742
Amounts owed to group undertakings	84,106	18,667
Corporation tax	4,571	31,260
Taxation and social security	112,003	141,540
Other creditors	14,501	19,690
Accruals and deferred income	93,454	235,059
	<u>326,063</u>	<u>482,958</u>

Amounts owed to group undertakings are interest free and repayable on demand.

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**3HR CORPORATE SOLICITORS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2017**

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**14. Share capital**

	2017 £	2016 £
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
100 Ordinary shares of £1 each	100	100

Each share is entitled to one vote in any circumstances and each share is also entitled *pari passu* to dividend payments or any other distribution.

**15. Reserves****Profit & loss account**

This reserve reflects the accumulated results for the company to 31 August 2017.

**16. 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 £49,162 (2016: £30,972).

**17. Related party transactions**

3HR PLC, 3HR Benefits Consultancy Limited and 3HR Corporate Solicitors Limited are deemed to be related parties due to the fact that they are under common control and by virtue of the fact that 3HR PLC holds 100% of the share capital of 3HR Benefits Consultancy Limited and 3HR Corporate Solicitors Limited. The aggregate outstanding group balances are disclosed in notes 11 and 13 to the financial statements.

**18. Controlling party**

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

The consolidated accounts can be obtained from New Broad Street House, 35 New Broad Street, EC2M 1NH, London, United Kingdom.