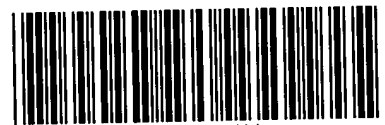


**BTG RISK LLP**

**Annual Report and Financial Statements  
For the year ended 30 April 2015**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS 2015**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DESIGNATED MEMBERS**

Begbies Traynor Limited  
BTG Consulting Limited

**REGISTERED OFFICE**

340 Deansgate  
Manchester  
M3 4LY

**BANKERS**

HSBC Bank plc  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EB

Santander UK plc  
Manchester Corporate Business Centre  
298 Deansgate  
Manchester  
M3 4HH

M&G UK Companies Financing Fund II LP  
Laurence Pountney Hill  
London  
EC4R 0HH

**SOLICITORS**

Brabners LLP  
55 King Street  
Manchester  
M2 4LQ

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester  
United Kingdom

## **MEMBERS' REPORT**

The Members present their annual report on the affairs of BTG Risk LLP ("the LLP"), together with the audited financial statements of the LLP, for the year ended 30 April 2015.

### **PRINCIPAL ACTIVITIES**

The risk consulting business was transferred from Begbies Traynor (Investigations) Ltd (formerly BTG Global Risk Partners Ltd) on 31 March 2014. The business traded for 13 months, and then on 30 April 2015 the trade was sold to Business Protector Limited for nil consideration. The LLP will not trade in the foreseeable future.

### **RESULTS**

The audited financial statements for the year ended 30 April 2015 are set out on pages 6 to 12.

### **GOING CONCERN**

As a result of the disposal of the business of the LLP, the financial statements have been prepared on a basis other than going concern which includes, where appropriate, writing down the company's assets to net realisable value. No adjustments arose as a result.

### **DESIGNATED MEMBERS**

The Members of the LLP during the year and since the year end that acted as Designated Members were:

Begbies Traynor Limited  
BTG Consulting Limited

### **MEMBERS' CAPITAL AND INTERESTS**

The LLP maintains capital to the requirements of the business.

Members receive drawings monthly on account of their remuneration for the year, less an amount retained to cover income tax, which is paid by the LLP on the Members' behalf.

### **AUDITOR**

Deloitte LLP have expressed their willingness to continue as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Members on 27 January 2016.

and signed on their behalf by:



R W Traynor

On behalf of Begbies Traynor Limited

Designated Member

## **MEMBERS' RESPONSIBILITIES STATEMENT**

The members are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the firm and of the profit or loss of the firm for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 firm will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the firm and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the firm and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BTG RISK LLP**

We have audited the financial statements of BTG Risk LLP for the year ended 30 April 2015, which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 12. 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).

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP'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 LLP and the LLP's members as a body for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of members and auditor**

As explained more fully in the Members' Responsibilities Statement, the members 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 LLP's affairs as at 30 April 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, as applicable to limited liability partnerships.

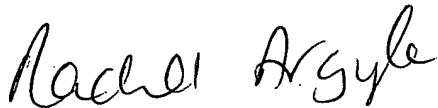
### **Emphasis of matter – Financial statements prepared on a basis other than that of a going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

**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 as applicable to limited liability partnerships 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
- we have not received all the information and explanations we require for our audit.



Rachel Argyle (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester, United Kingdom

28 January 2016

**PROFIT AND LOSS ACCOUNT**  
**Year ended 30 April 2015**

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>TURNOVER</b>	2	141,570	29,272
Depreciation		-	(439)
Other costs		(28,292)	(12,145)
<b>OPERATING PROFIT AND PROFIT FOR THE FINANCIAL YEAR BEFORE MEMBERS' REMUNERATION AND PROFIT SHARES</b>	4	113,278	16,688
Members' remuneration charged as an expense	5, 9	(113,148)	(9,640)
<b>PROFIT FOR THE FINANCIAL YEAR AVAILABLE FOR DISCRETIONARY DIVISION AMONG MEMBERS</b>	5, 9	130	7,048

All results relate to discontinued operations.

There were no recognised gains or losses in either year other than the profit for that year shown above. Accordingly, a separate statement of total recognised gains and losses has not been presented.

**BALANCE SHEET**  
As at 30 April 2015

	Note	2015 £	2014 £
<b>FIXED ASSETS</b>			
Tangible fixed assets	6	-	6,186
<b>CURRENT ASSETS</b>			
Debtors	7	110,663	109,992
<b>CREDITORS: amounts falling due within one year</b>	8	(1,985)	(7,547)
<b>NET CURRENT ASSETS</b>		<u>108,678</u>	<u>102,445</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>108,678</u>	<u>108,631</u>
<b>REPRESENTED BY:</b>			
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>			
Members' capital classified as debt under FRS 25	9	-	-
Other amounts	9	108,678	108,631
<b>TOTAL MEMBERS' INTERESTS</b>	9	<u>108,678</u>	<u>108,631</u>

The financial statements of BTG Risk LLP registered number OC306265, were approved by the Members and authorised for issue on 27 January 2016.



R W Traynor

On behalf of Begbies Traynor Limited

Designated Member

## NOTES TO THE FINANCIAL STATEMENTS

### Year ended 30 April 2015

#### 1. ACCOUNTING POLICIES

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

##### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and accounting standards and the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' (the LLP SORP).

##### **Going concern**

As a result of the disposal of the business of the LLP, the financial statements have been prepared on a basis other than going concern which includes, where appropriate, writing down the company's assets to net realisable value. No material adjustments arose as a result of ceasing to apply the going concern basis.

##### **Cash flow statement**

The LLP is wholly owned by Begbies Traynor Group plc ('the Group') and is included within the Group's consolidated financial statements, which are publicly available. Consequently, the LLP has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 'Cash flow statements (revised 1996)'.

##### **Tangible fixed assets**

Fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost over their estimated useful lives as follows:

Office Equipment	15% straight line
Computers	33% straight line

Residual value is calculated on prices prevailing at the date of acquisition.

##### **Revenue recognition**

Revenue represents amounts recoverable from clients for professional services provided during the year, excluding value added tax. The LLP recognises revenue when the amount can be reliably measured and it is probable economic benefits will flow.

Services provided to clients, which at the balance sheet date have not been billed, are recognised as unbilled revenue.

Revenue recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date reflecting the stage of completion (determined by costs incurred to date as a percentage of the total anticipated costs) of each assignment. These estimates and judgements may change over time as the case completes and this will be recognised in the profit and loss account in the period in which the revision becomes known. These judgements are formed over a large portfolio of cases and are therefore unlikely to be individually material.

Unbilled revenue on individual client assignments is included as unbilled income within debtors.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 30 April 2015**

**1. ACCOUNTING POLICIES (continued)**

**Remuneration of members, allocation of profits and drawings**

All members receive contractual remuneration which is paid regardless of the existence of, or level of, profits and without any decision or agreement to divide profits. Such remuneration is treated as "salaried remuneration" and is included as an expense and deducted in arriving at the profit available for division amongst members. Remaining profits are allocated between members after finalisation of the annual results.

Members draw a proportion of their profit share monthly during the year in which it is made with the balance of profits being distributed after the year end.

**Members' capital and interests**

The LLP has a flexible policy for the subscription of capital and maintains a balance of members' funds appropriate to the requirements of the business. Details of movement of members' capital and interests in the year ended 30 April 2015 are set out in note 9 to the financial statements.

**Taxation**

The taxation payable on profits of the LLP is the personal liability of the members. A retention from profit is made to fund the payments of taxation on behalf of members.

**Leases**

Tangible fixed assets held under finance leases and hire purchase contracts are capitalised and depreciated over their estimated useful lives. Interest elements of the lease obligations are charged to the profit and loss account. The capital element of future lease payments is included in creditors.

Rentals under operating leases are charged to the profit and loss account in equal instalments over the lease term. Reverse premiums or other lease incentives are spread on a straight-line basis over the shorter of the lease term or the period until the rent is adjusted to the prevailing market rate.

**2. TURNOVER**

All turnover was derived from risk consulting services in the United Kingdom and is stated net of value added tax.

**3. STAFF COSTS**

Staff costs (excluding salaried remuneration of members) were as follows:

	2015 £	2014 £
Wages and salaries	-	105
Social security costs	-	89
Pension costs	-	155
	<u>-</u>	<u>349</u>

The average monthly number of employees, excluding members, during the year was nil (2014: nil).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 30 April 2015**

**4. OPERATING PROFIT**

This is stated after charging/(crediting):

	2015 £	2014 £
Foreign exchange gain	(2,524)	-
Depreciation		
- owned assets	-	439
Operating lease payments		
- other	10,735	1,098
	<u>10,735</u>	<u>1,098</u>

The auditor's remuneration is borne by other Group entities and not recharged (2014: same). The members' estimate of the audit fee relating to this LLP is £1,000 (2014: £1,000). No other fees were paid to the auditor (2014: same).

**5. MEMBERS' REMUNERATION**

Members' remuneration is provided by means of a base remuneration, plus a share of profits of the LLP.

	2015 £	2014 £
Members' remuneration charged as an expense	113,148	9,640
Profit for the financial year available for discretionary division among members	130	7,048
	<u>113,278</u>	<u>16,688</u>
<b>Profit before members' remuneration and profit shares</b>	<b>No</b>	<b>No</b>
<b>Average number of members in the year</b>	<b>3</b>	<b>2</b>

The profit attributable to the highest paid member was £113,148 (2014: £9,640).

**6. TANGIBLE FIXED ASSETS**

	Office Equipment	Computers £	Total £
<b>Cost</b>			
At 1 May 2014	3,915	2,710	6,625
Disposals	(3,915)	(2,710)	(6,625)
	<u>-</u>	<u>-</u>	<u>-</u>
At 30 April 2015	-	-	-
<b>Depreciation</b>			
At 1 May 2014	214	225	439
Disposals	(214)	(225)	(439)
	<u>-</u>	<u>-</u>	<u>-</u>
At 30 April 2015	-	-	-
<b>Net book value</b>			
At 30 April 2015	<u>-</u>	<u>-</u>	<u>-</u>
At 30 April 2014	<u>3,701</u>	<u>2,485</u>	<u>6,186</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 30 April 2015**

**7. DEBTORS**

	2015 £	2014 £
Trade debtors	-	44,291
Prepayments and accrued income	-	372
Amounts owed by group undertakings	110,663	65,329
	<u>110,663</u>	<u>109,992</u>

All amounts are due within one year.

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	240	-
Other taxes and social security costs	803	-
Accruals and deferred income	942	7,547
	<u>1,985</u>	<u>7,547</u>

All amounts included in creditors due within one year are unsecured and repayable on demand.

**9. RECONCILIATION OF MEMBERS' INTERESTS**

	Loans and other debts due to Members Other amounts £	Members' other interests Other reserves £	Total Members' interests  Total £
Members' interests at 1 May 2014	108,631	-	108,631
Members' remuneration charged as an expense	113,148	-	113,148
Profit for the financial year available for division among members	-	130	130
Members' interests after profit for the year	221,779	130	221,909
Allocated profits	130	(130)	-
Drawings	(113,231)	-	(113,231)
<b>Members' interests at 30 April 2015</b>	<u>108,678</u>	<u>-</u>	<u>108,678</u>

Amounts due to Members will rank pari passu with other unsecured creditors in the event of a winding up. In such a circumstance, the Members have subordinated their rights to payments of amounts owed to them in preference to external creditors.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**Year ended 30 April 2015**

**10. RELATED PARTY TRANSACTIONS**

The LLP has taken advantage of the exemption under FRS 8 'Related party disclosures' not to disclose related party transactions with other wholly-owned members of the Begbies Traynor Group plc group.

There were no other related party transactions that require disclosure in the year.

**11. CONTINGENT LIABILITIES**

The LLP has entered into cross-guarantees with fellow group undertakings in the ordinary course of business in connection with the Group's banking facilities. As at 30 April 2015, the Group's total indebtedness to the bank was £15,990,707 (2014: £14,492,912).

**12. ULTIMATE CONTROLLING PARTY**

In the opinion of the members, the ultimate controlling party of the LLP is deemed to be Begbies Traynor Group plc, a company incorporated in England and Wales. The smallest and largest group in which the results of the company are consolidated is that headed by Begbies Traynor Group plc. A copy of the financial statements can be obtained from the Company Secretary, Begbies Traynor Group plc, 340 Deansgate, Manchester, M3 4LY.