

Registered number : OC313147

Chantrey Vellacott DFK LLP

Financial statements

31 December 2013

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Chantrey Vellacott DFK LLP

Financial statements

Year ended 31 December 2013

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Chantrey Vellacott DFK LLP

LLP information

Designated members	I C Blackman M R Hewitt - Boorman A K Syrocki M J Tovey
Registered office	Russell Square House 10 - 12 Russell Square London WC1B 5LF
Registered number	OC313147
Bankers	HSBC Bank plc 129 New Bond Street London W1A 2JA
Solicitors	Speechly Bircham LLP 6 New Street Square London EC4A 3LX and DMH Stallard LLP 6 New Street Square London EC4A 3BF
Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Grant Thornton House Melton Street London NW1 2EP

Chantrey Vellacott DFK LLP

Members' report

Year ended 31 December 2013

The members present their report and the financial statements of the group for the year ended 31 December 2013.

Principal activities

The principal activities of the group are the provision of accounting, business assurance, business recovery, corporate finance and taxation services in the UK.

Business review

Due to the economic environment in the United Kingdom, some very difficult decisions were taken during the previous period, which resulted in increased costs in the short term. However, the actions implemented ensured that the cost base going forward into 2013 was more appropriate to the size of the business. The impact of these cost savings, together with increased turnover and the successful integration of the business acquired at the beginning of 2012, has resulted in improved profitability.

Going Concern

The financial statements have been prepared on a going concern basis, which assumes the LLP's continuing operation in accordance with its agreed banking facilities, which are due for renewal at the end of August 2014 and, based on discussions with the facility provider, the Designated Members are confident of their renewal. The Designated Members have based this opinion on budgets and forecasts for the 12 month period following the approval of these financial statements and their regular monitoring of the LLP's financial position.

Designated members

The designated members during the year ended 31 December 2013 were as follows:

I C Blackman
M R Hewitt - Boorman
M E Lamb
A K Syrocki
M J Tovey

M E Lamb ceased to be a designated member on 26 June 2014

Members' drawings and the subscription and repayment of members' capital

The LLP operates a drawings policy on account of current year results, which has regard to estimated budgeted profits and restricts drawings to prudent levels until the results for the year and individual members allocations have been determined. Drawings in respect of prior year allocations are available to members subject to sufficient cash being available to meet the LLP's business needs.

Members' capital requirements are determined from time to time having regard to the requirements of the LLP. Subject to exceptional circumstances, members' capital is only repayable following retirement.

Statement of members' responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP 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 LLP and enable them to ensure that the financial statements comply with the 2008 Regulations. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The members confirm that:

- so far as each member is aware, there is no relevant audit information of which the LLP's auditor is unaware; and
- the members have taken all the steps that they ought to have taken as members in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Chantrey Vellacott DFK LLP

Members' report (continued)

Year ended 31 December 2013

Auditor

The independent auditor of Chantrey Vellacott DFK LLP is Grant Thornton UK LLP, who will be proposed for reappointment.

Signed on behalf of the members



I C Blackman
Designated Member

Approved by the Members on 14 August 2014

Chantrey Vellacott DFK LLP

Independent auditor's report to the members of Chantrey Vellacott DFK LLP

We have audited the financial statements of Chantrey Vellacott DFK LLP for the year ended 31 December 2013 which comprise the consolidated profit and loss account, the balance sheets, the consolidated cash flow statement 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).

This report is made solely to the 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 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 partnership and 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 statement of members' responsibilities set out on page 2, 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 (APB's) Ethical Standards for Auditors.

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/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of affairs of the limited liability partnership and the group as at 31 December 2013 and of the results for the group 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 applied 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.



James Moss
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

14 August 2014

Chantrey Vellacott DFK LLP**Consolidated profit and loss account****Year ended 31 December 2013**

		1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
	Note		
Turnover	2	30,782,866	41,527,544
Change in work in progress		30,000	(12,359)
		<u>30,812,866</u>	<u>41,515,185</u>
Other operating income		6,225	13,544
		<u>30,819,091</u>	<u>41,528,729</u>
Staff costs	3	(11,986,611)	(18,651,019)
Depreciation and amortisation		(664,025)	(1,104,234)
Other operating expenses		(9,743,441)	(14,852,465)
		<u>Operating profit</u>	<u>6,921,011</u>
	4	8,425,014	
Income from associated undertaking		703	423
Interest receivable and similar income		185	639
Interest payable and similar charges	5	(90,763)	(197,495)
		<u>Profit on ordinary activities before taxation</u>	<u>6,724,578</u>
		8,335,139	
Tax on profit on ordinary activities in corporate subsidiaries	6	-	-
		<u>Profit for the financial year before members' remuneration and profit shares</u>	<u>6,724,578</u>
		8,335,139	
Members' remuneration charged as an expense	7	(8,335,139)	(6,724,578)
		<u>-</u>	<u>-</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the period as set out above.

The notes on pages 9 to 22 form part of these financial statements

Chantrey Vellacott DFK LLP

Consolidated balance sheet

As at 31 December 2013

	Note	31 December 2013 £	31 December 2012 £
Fixed assets			
Intangible fixed assets	9	1,862,233	2,031,168
Tangible fixed assets	10	700,889	852,022
Investments	11	1,461	1,461
		<u>2,564,583</u>	<u>2,884,651</u>
Current assets			
Work in progress	12	30,000	-
Debtors	13	16,071,999	14,337,028
Cash at bank and in hand	14	1,079,898	1,211,944
		<u>17,181,897</u>	<u>15,548,972</u>
Creditors: amounts falling due within one year	15	<u>(7,829,643)</u>	<u>(9,305,647)</u>
Net current assets		<u>9,352,254</u>	<u>6,243,325</u>
Total assets less current liabilities		<u>11,916,837</u>	<u>9,127,976</u>
Creditors: amounts falling due after more than one year	16	<u>(746,203)</u>	<u>(1,737,740)</u>
Provision for liabilities	17	<u>(115,000)</u>	<u>(220,000)</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>11,055,634</u>	<u>7,170,236</u>
REPRESENTED BY:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		5,700,000	5,250,000
Other amounts		5,355,634	1,920,236
		<u>11,055,634</u>	<u>7,170,236</u>
TOTAL MEMBERS' INTERESTS	19		
Amounts due from members		(768,555)	(91,665)
Loans and other debts due to members		11,055,634	7,170,236
		<u>10,287,079</u>	<u>7,078,571</u>

These financial statements were approved by the Members and authorised for issue on 14 August 2014, and were signed on their behalf by:



M J TOVEY
Managing Partner



I C BLACKMAN
Finance Partner

LLP Registration Number : OC313147

The notes on pages 9 to 22 form part of these financial statements

Chantrey Vellacott DFK LLP

Limited liability partnership balance sheet

As at 31 December 2013

	Note	31 December 2013 £	31 December 2012 £
Fixed assets			
Intangible fixed assets	9	761,001	300,205
Tangible fixed assets	10	698,799	848,820
Investments	11	11,482	11,482
		<u>1,471,282</u>	<u>1,160,507</u>
Current assets			
Work in progress	12	-	-
Debtors	13	16,215,182	15,024,910
Cash at bank and in hand	14	1,062,302	1,179,646
		<u>17,277,484</u>	<u>16,204,556</u>
Creditors: amounts falling due within one year	15	(7,207,385)	(8,801,575)
Net current assets		<u>10,070,099</u>	<u>7,402,981</u>
Total assets less current liabilities		11,541,381	8,563,488
Creditors: amounts falling due after more than one year	16	(372,203)	(1,193,740)
Provision for liabilities	17	(115,000)	(220,000)
NET ASSETS ATTRIBUTABLE TO MEMBERS		<u>11,054,178</u>	<u>7,149,748</u>
REPRESENTED BY:			
Loans and other debts due to members within one year			
Members' capital classified as a liability		5,700,000	5,250,000
Other amounts		5,354,178	1,899,748
		<u>11,054,178</u>	<u>7,149,748</u>
TOTAL MEMBERS' INTERESTS	19		
Amounts due from members		(768,555)	(91,665)
Loans and other debts due to members		11,054,178	7,149,748
		<u>10,285,623</u>	<u>7,058,083</u>

These financial statements were approved by the Members and authorised for issue on 14 August 2014, and were signed on their behalf by:



M J TOVEY
Managing Partner



I C BLACKMAN
Finance Partner

LLP Registration Number : OC313147

The notes on pages 9 to 22 form part of these financial statements

Chantrey Vellacott DFK LLP**Consolidated cash flow statement****Year ended 31 December 2013**

		1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
	Note		
Net cash inflow from operating activities	20 (a)	8,066,009	9,343,550
Dividends received from associates	20 (b)	703	423
Returns on investments and servicing of finance	20 (b)	(90,578)	(196,856)
Capital expenditure and financial investment	20 (b)	(349,570)	(652,112)
Acquisitions and disposals	20 (b)	-	(572,540)
Dealings with members	20 (b)	(5,126,631)	(9,078,694)
Cash inflow/(outflow) before financing		<u>2,499,933</u>	<u>(1,156,229)</u>
Financing	20 (b)	(872,281)	(394,423)
Increase/(decrease) in cash	20 (d)	<u><u>1,627,652</u></u>	<u><u>(1,550,652)</u></u>

The notes on pages 9 to 22 form part of these financial statements

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

1 Accounting policies

Basis of accounting

The annual report and financial statements for the year ended 31 December 2013 have been prepared in accordance with the Companies Act 2006 (as applied by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), the Accounting by Limited Liability Partnerships Statement of Recommended Practice (issued 2006) ("SORP"), applicable accounting standards, and under the historical cost convention.

The principal accounting policies have remained unchanged from the previous year and are set out below.

Basis of consolidation

The financial statements consolidate the results of Chantrey Vellacott DFK LLP and its subsidiary undertakings, CV Capital LLP, CV Thames Valley Limited and Chantrey Vellacott Limited.

The financial statements do not consolidate the results of the other dormant subsidiary undertakings, as they are not material.

As permitted by section 408 of the Companies Act 2006, no separate profit and loss account is presented for the limited liability partnership.

Revenue recognition

Revenue is recognised as contract activity progresses under contractual obligations which are performed gradually over time. Incomplete contracts at the balance sheet date are valued with reference to the value of the work performed and are described in the financial statements as accrued income.

If at the balance sheet date the completion of contractual obligations is dependant on external factors (and thus outside the control of the LLP), then revenue is typically recognised when the contingent events occurs. However, in certain cases where similar work types are involved on a more regular basis, the contingent event is considered probable and there is historic evidence of these being settled, revenue is recognised as contract activity progresses.

Work in progress

Work in progress is valued at the lower of cost and net realisable value. Cost comprises the time cost of staff and members, direct expenses, and an appropriate proportion of overheads.

Goodwill

Purchased goodwill, including legal and professional fees paid in connection with acquisitions, is stated at cost and is amortised over its useful economic life, not exceeding ten years. The carrying value is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recovered in line with FRS 11, Impairment of fixed assets and goodwill.

Development costs

Expenditure on research and development is charged to the profit and loss account in the year in which it is incurred, with the exception of expenditure on the development of major new services and products for the group. Where these are clearly defined projects, the outcome of which are assessed as being commercially viable, such expenditure is capitalised and amortised over a period not exceeding five years, commencing in the year the service becomes fully operational.

Depreciation of tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold improvements	- over the period of the lease
Furniture, fittings and equipment	- 10% - 20% of cost per annum
Computer equipment	- 10% - 33 ¹ / ₃ % of cost per annum
Motor vehicles	- 20% of cost per annum

Assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable in line with FRS 11, Impairment of fixed assets and goodwill.

1 Accounting policies (*continued*)

Investments

Fixed asset investments are valued at cost less any provision for permanent diminution in value.

Hire purchase and lease transactions

Assets acquired under hire purchase agreements and finance leases are capitalised in the balance sheet and are depreciated in accordance with the firm's normal policy. The outstanding liabilities under such agreements, less interest not yet due, are included in creditors. Interest on such agreements is charged to the profit and loss account over the term of each agreement and represents a constant proportion of the balance of capital repayments outstanding.

Where assets are sold and leased back, but the substance is that of a financing arrangement, no profit is recognised on entering into the transaction, and no adjustment is made to the carrying value of the assets concerned.

Rentals under operating leases are charged to the profit and loss account as they fall due.

Pension costs

The firm operates a defined contribution pension scheme. Costs in respect of the scheme are charged to the profit and loss account in the period to which they relate.

Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling on the date of the transaction. Exchange differences are dealt with in the profit and loss account.

Taxation and deferred tax

Taxation on all the LLP's profits is solely the personal liability of individual members and is not dealt with in these financial statements.

The corporation tax in these financial statements arises from the consolidation of the subsidiary undertaking, CV Thames Valley Limited.

Provisions

In the normal course of business the LLP may receive claims for alleged professional negligence. The LLP maintains satisfactory professional indemnity insurance and, where appropriate, provision is made for costs arising from such claims, net of the related insurance receivables. The members do not consider it necessary to make any provisions in the financial statements in respect of claims which they believe will not result in a liability.

Provisions are made in respect of dilapidation costs, which arise from the terms of the leases of the LLP's properties, once a decision has been made not to renew a lease.

Members' remuneration

Members' remuneration charged as an expense in the profit and loss account includes members' remuneration and interest payable to members in accordance with the members' agreement and other contractual entitlements.

2 Turnover

Approximately 95% (18 months to 31 December 2012 - 95%) of the turnover is generated in the UK.

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

3 Particulars of employees

The average number of staff employed by the group during the financial year can be analysed as follows:

	1 January 2013 to 31 December 2013 No	1 July 2011 to 31 December 2012 No
Professional staff	220	237
Support staff	79	79
Average number of employees	299	316

The aggregate payroll costs of the above were:

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Wages and salaries	10,298,574	16,008,131
Social security costs	1,102,250	1,760,764
Other pension costs	450,088	651,981
Other staff costs	135,699	230,143
	11,986,611	18,651,019

4 Operating profit

Operating profit is stated after charging:

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Amortisation of goodwill	253,237	311,097
Amortisation of development costs	115,698	173,550
Depreciation of owned assets	87,957	235,299
Depreciation of assets held under finance leases and hire purchase contracts	207,133	384,288
Auditor's remuneration as auditor	40,150	40,304
Operating lease costs:		
Land and buildings	1,787,769	2,768,965
Other	26,606	45,038

5 Interest payable and similar charges

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Interest payable on bank borrowing	65,953	156,078
Finance charges on finance leases and hire purchase contracts	21,677	37,808
Other interest	3,133	3,609
	90,763	197,495

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

6 Tax on profit on ordinary activities in corporate subsidiaries

The tax in these financial statements arises from the consolidation of the subsidiary undertaking, CV Thames Valley Limited.

(a) Analysis of tax charge in the year

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Current tax:		
UK Corporation tax based on the results for the year	-	-
Tax on profit on ordinary activities	-	-

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is at a lower rate than the standard rate of corporation tax in the UK of 20% (18 months to 31 December 2012 - 20%).

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Profit on ordinary activities before tax	968	459
Profit/(loss) on ordinary activities multiplied by rate of tax	194	92
Capital allowances in excess of depreciation	222	(640)
Unrelieved tax losses and other deductions arising in the period	(416)	548
Total current tax (note 6 (a))	-	-

7 Members' remuneration charged as an expense

Members' remuneration charged as an expense includes members' remuneration and interest payable to members in accordance with the members' agreement and other contractual entitlements. Profits are shared amongst members after the end of the year in accordance with agreed profit sharing arrangements.

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Amounts paid under contractual entitlements	2,385,755	4,122,083
Other amounts relating to profit sharing	5,949,384	2,602,495
	8,335,139	6,724,578
Estimated share of highest remunerated member	550,000	395,000
Average number of equity members during the year	19	21
Average number of general members during the year	23	27
	42	48

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

8 Profit attributable to the members of the parent limited liability partnership

The profit for the financial year available for discretionary division among the members of the parent limited liability partnership amounted to £5,948,416 (18 months to 31 December 2012 - £2,602,036).

9 Intangible fixed assets

Group	Goodwill £	Development costs £	Total £
Cost			
At 1 January 2013	4,837,969	578,501	5,416,470
Additions	200,000	-	200,000
At 31 December 2013	5,037,969	578,501	5,616,470
Amortisation			
At 1 January 2013	3,037,763	347,539	3,385,302
Charge for the year	253,237	115,698	368,935
At 31 December 2013	3,291,000	463,237	3,754,237
Net book value			
At 31 December 2013	1,746,969	115,264	1,862,233
At 31 December 2012	1,800,206	230,962	2,031,168
LLP			
Cost			
At 1 January 2013	2,469,683	578,501	3,048,184
Acquired from subsidiary undertaking	991,746	-	991,746
Additions	200,000	-	200,000
At 31 December 2013	3,661,429	578,501	4,239,930
Amortisation			
At 1 January 2013	2,400,440	347,539	2,747,979
Acquired from subsidiary undertaking	499,669	-	499,669
Charge for the year	115,583	115,698	231,281
At 31 December 2013	3,015,692	463,237	3,478,929
Net book value			
At 31 December 2013	645,737	115,264	761,001
At 31 December 2012	69,243	230,962	300,205

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

10 Tangible fixed assets

Group	Leasehold improvements £	Furniture, fittings and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2013	325,184	307,829	1,523,576	335,076	2,491,665
Additions	-	4,218	145,352	-	149,570
Disposals	-	(17,771)	(277,785)	(20,340)	(315,896)
At 31 December 2013	325,184	294,276	1,391,143	314,736	2,325,339
Amortisation					
At 1 January 2013	248,128	146,872	995,327	249,316	1,639,643
Charge for the year	28,902	28,924	207,133	30,131	295,090
Disposals	-	(12,158)	(277,785)	(20,340)	(310,283)
At 31 December 2013	277,030	163,638	924,675	259,107	1,624,450
Net book value					
At 31 December 2013	48,154	130,638	466,468	55,629	700,889
At 31 December 2012	77,056	160,957	528,249	85,760	852,022
LLP					
Cost					
At 1 January 2013	325,184	306,829	1,520,431	335,076	2,487,520
Additions	-	4,218	145,352	-	149,570
Disposals	-	(17,771)	(277,785)	(20,340)	(315,896)
At 31 December 2013	325,184	293,276	1,387,998	314,736	2,321,194
Amortisation					
At 1 January 2013	248,128	146,689	994,567	249,316	1,638,700
Charge for the year	28,902	28,724	206,221	30,131	293,978
Disposals	-	(12,158)	(277,785)	(20,340)	(310,283)
At 31 December 2013	277,030	163,255	923,003	259,107	1,622,395
Net book value					
At 31 December 2013	48,154	130,021	464,995	55,629	698,799
At 31 December 2012	77,056	160,140	525,864	85,760	848,820

Included within the Group and LLP fixed assets are assets held under finance leases and hire purchase contracts as follows:

	Computer equipment £
Net book value	466,468
Depreciation for the year	207,133

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

11 Fixed asset investments

	GROUP		LLP	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
Subsidiary undertakings:				
At 1 January 2013	1,213	1,213	11,234	11,213
Additions	-	-	-	21
At 31 December 2013	1,213	1,213	11,234	11,234
Associated undertakings:				
At 1 January 2013 and at 31 December 2013	248	248	248	248
	1,461	1,461	11,482	11,482

Subsidiary undertakings at 31 December 2013

Name	Country of incorporation	Principal activity	% equity interest
CV Capital LLP	Great Britain	Provision of corporate finance services in the UK	100% members' capital classified as equity
CV Thames Valley Limited	Great Britain	Provision of accounting, business assurance and taxation services in the UK	100%
Chantrey Vellacott Limited	Great Britain	Dormant	100%
Achieving More Together Limited	Great Britain	Dormant	100%
Burlington Nominees Limited	Great Britain	Dormant	100%
Chantrey Vellacott DFK (2005)	Great Britain	Dormant	100%
Chantrey Vellacott International	Great Britain	Dormant	100%
Chantrey Vellacott Trustees Limited	Great Britain	Dormant	100%
CVDFK Limited	Great Britain	Dormant	100%
Heathcote & Coleman Services Limited	Great Britain	Dormant	100%
Hill Vellacott Trustee Company	Great Britain	Dormant	100%
CV Business Rescue Limited	Great Britain	Dormant	100%
Pounds for Pounds Limited	Great Britain	Dormant	100%
Russell Square Enterprises Limited	Great Britain	Dormant	100%

The financial statements consolidate the results of Chantrey Vellacott DFK LLP and its subsidiary undertakings, CV Capital LLP, CV Thames Valley Limited and Chantrey Vellacott Limited.

CV Thames Valley Limited and Chantrey Vellacott Limited prepared financial statements for the year to 31 December 2013. CV Capital LLP prepared financial statements for the 18 month period from 1 July 2012 to 31 December 2013.

The aggregate of the share capital and reserves as at 31 December 2013 of the dormant subsidiary undertakings which are not included in the consolidation is £979 (2012 - £979).

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

11 Fixed asset investments

Associated undertakings at 31 December 2013

Name	Country of incorporation	Principal activity	Proportion of the nominal value of the allotted shares held
Chantrey Vellacott DFK (Gibraltar) Limited 48 Ordinary shares of £1 each	Great Britain	Provide audit and tax services to registered companies in Gibraltar	48%
CV Finance Limited 200 Ordinary B shares of £1 each	Great Britain	Financial intermediation	20%

The shares in Chantrey Vellacott DFK (Gibraltar) Limited are held by a subsidiary undertaking, Burlington Nominees Limited.

	Chantrey Vellacott DFK (Gibraltar) Limited £	CV Finance Limited £
Share of turnover of associates	21,636	25,088
Share of assets		
Share of fixed assets	681	94
Share of current assets	13,705	30,020
	14,386	30,114
Share of liabilities		
Liabilities due within one year or less	(14,145)	(5,583)
Share of net assets	241	24,531

12 Work in progress

	GROUP		LLP	
	31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
Work in progress	30,000	-	-	-

13 Debtors

	GROUP		LLP	
	31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
Trade debtors	8,289,098	7,152,069	7,644,120	6,675,723
Amounts owed by subsidiary undertakings	-	-	830,199	1,218,989
Amounts owed by associated undertakings	2,913	18,535	2,913	18,535
Amounts owed by related undertakings (note 23)	92,108	251,994	92,108	251,994
Amounts due from members (note 19)	768,555	91,665	768,555	91,665
Other debtors	374,554	178,277	371,472	175,291
Prepayments	1,300,147	1,599,472	1,297,847	1,591,410
Accrued income	5,244,624	5,045,016	5,207,968	5,001,303
	16,071,999	14,337,028	16,215,182	15,024,910

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

14 Cash at bank and in hand

	GROUP		LLP	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
Cash at bank and in hand	333,773	465,819	316,177	433,521
Rent deposit account	746,125	746,125	746,125	746,125
	1,079,898	1,211,944	1,062,302	1,179,646

Following agreement with the landlord of the LLP's principal London office, a rent deposit account was set up with the LLP's bankers. Although the account is held in the joint names of the LLP and the landlord, the balance on the account, which must be maintained at £746,125, is offset against the LLP's bank overdraft for the purposes of calculating interest payable.

The landlord concerned has a charge over the rent deposit account, to ensure the LLP's obligations under the lease are met.

15 Creditors : amounts falling due within one year

	GROUP		LLP	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
Bank loans (note 18)	770,430	765,399	770,430	765,399
Bank overdraft (note 18)	694,472	2,454,170	694,472	2,454,170
Payments received on account	1,115,607	863,486	1,031,617	769,796
Trade creditors	1,700,271	2,129,090	1,698,526	2,127,792
Amounts owed to subsidiary undertakings	1,099	1,099	1,148	1,099
Amounts owed to associated undertakings	720	-	720	-
Taxation and social security	1,974,781	1,868,554	1,831,013	1,740,194
Other creditors	439,486	544,597	167,362	272,473
Accruals and deferred income	926,176	416,876	805,496	408,276
Obligations under finance leases and hire purchase contracts (note 18)	206,601	262,376	206,601	262,376
	7,829,643	9,305,647	7,207,385	8,801,575

16 Creditors : amounts falling due after more than one year

	GROUP		LLP	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
Bank loans (note 18)	93,355	863,805	93,355	863,805
Other creditors	374,000	544,000	-	-
Obligations under finance leases and hire purchase contracts (note 18)	278,848	329,935	278,848	329,935
	746,203	1,737,740	372,203	1,193,740

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

17 Provisions for liabilities

	GROUP £	LLP £
At 1 January 2013	220,000	220,000
Charged to profit and loss account	15,000	15,000
Utilisation of provision	(120,000)	(120,000)
At 31 December 2013	115,000	115,000

18 Loans and other borrowings

	GROUP		LLP	
	31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
Bank loans	863,785	1,629,204	863,785	1,629,204
Bank overdraft	694,472	2,454,170	694,472	2,454,170
Obligations under finance leases and hire purchase contracts	485,449	592,311	485,449	592,311
	2,043,706	4,675,685	2,043,706	4,675,685
Maturity of financial liabilities				
In one year or less, or on demand	1,671,503	3,481,946	1,671,503	3,481,946
In more than one year, but not more than two years	253,152	935,309	253,152	935,309
In more than two years, but not more than five years	119,051	258,430	119,051	258,430
In more than five years	-	-	-	-
	2,043,706	4,675,685	2,043,706	4,675,685

The bank loans and bank overdraft are secured by a fixed and floating charge over the assets of the group.

The first bank loan, which has a balance outstanding of £650,000 at 31 December 2013, is repayable in 60 monthly instalments commencing February 2010 and carries interest at LIBOR plus 2.5%. A second bank loan, which has a balance outstanding of £213,785 at 31 December 2013, is repayable in 36 monthly instalments commencing April 2012 and carries interest at 2.5% over HSBC plc's bank base rate.

Obligations under finance leases and hire purchase contracts are secured on the related assets.

Finance leases

Future minimum payments under finance leases are as follows:

	GROUP		LLP	
	31 December 2013 £	31 December 2012 £	31 December 2013 £	31 December 2012 £
Within one year	223,768	280,948	223,768	280,948
In more than one year, but not more than five years	292,590	345,708	292,590	345,708
In more than five years	-	-	-	-
Total gross payments	516,358	626,656	516,358	626,656
Less finance charges included above	(30,909)	(34,345)	(30,909)	(34,345)
	485,449	592,311	485,449	592,311

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

19 Members' interests

	Members' capital classified as a liability £	Loans and other debts due to/(from) members within one year £	Total £
Group			
Amounts due to members		1,920,236	
Amounts due from members		(91,665)	
Members' interests at 31 December 2012	5,250,000	1,828,571	7,078,571
Members' remuneration charged as an expense	-	8,335,139	8,335,139
Members' interests after profit for the year	5,250,000	10,163,710	15,413,710
Capital introduced	750,000	-	750,000
Repayments of capital	(300,000)	-	(300,000)
Drawings	-	(5,576,631)	(5,576,631)
Amounts due to members		5,355,634	
Amounts due from members		(768,555)	
Members' interests at 31 December 2013	5,700,000	4,587,079	10,287,079
LLP			
Amounts due to members		1,899,748	
Amounts due from members		(91,665)	
Members' interests at 31 December 2012	5,250,000	1,808,083	7,058,083
Members' remuneration charged as an expense	-	8,334,171	8,334,171
Members' interests after profit for the year	5,250,000	10,142,254	15,392,254
Capital introduced	750,000	-	750,000
Repayments of capital	(300,000)	-	(300,000)
Drawings	-	(5,556,631)	(5,556,631)
Amounts due to members		5,354,178	
Amounts due from members		(768,555)	
Members' interests at 31 December 2013	5,700,000	4,585,623	10,285,623

Loans and other debts due to members rank pari passu with unsecured creditors in the event of winding up.

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

20 Notes to the consolidated cash flow statement

(a) Reconciliation of operating profit to net cash inflow from operating activities

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Operating profit	8,425,014	6,921,011
Amortisation of goodwill	253,237	311,097
Amortisation of development costs	115,698	173,550
Depreciation of tangible fixed assets	295,090	619,587
Loss on disposal of office furniture	5,613	-
(Increase)/decrease in work in progress	(30,000)	23,359
(Increase)/decrease in debtors	(1,058,081)	1,096,667
(Decrease)/increase in creditors	59,438	198,279
Net cash inflow from operating activities	8,066,009	9,343,550

(b) Analysis of cash flows

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Dividends received from associates		
Dividends received from associated undertaking	703	423
Returns on investment and servicing of finance		
Interest received	185	639
Interest paid	(69,086)	(159,687)
Interest element of finance lease rental payments	(21,677)	(37,808)
Net cash outflow for returns on investments and servicing of finance	(90,578)	(196,856)
Capital expenditure and financial investment		
Payments to acquire intangible fixed assets	(200,000)	(65,000)
Payments to acquire tangible fixed assets	(149,570)	(587,112)
Net cash outflow for capital expenditure and financial investment	(349,570)	(652,112)
Acquisitions and disposals		
Purchase of businesses	-	(572,540)
Net cash outflow for acquisitions and disposals	-	(572,540)
Transactions with members and former members		
Capital introduced	750,000	-
Capital repaid	(300,000)	(1,200,000)
Drawings to members	(5,576,631)	(7,878,694)
Net cash outflow for transactions with members	(5,126,631)	(9,078,694)

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

20 Notes to the consolidated cash flow statement

(b) Analysis of cash flows

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Financing		
New bank loan	-	500,000
Repayment of bank loans	(765,419)	(1,020,796)
New finance leases	170,199	538,021
Capital element of finance lease rental payments	(277,061)	(411,648)
Net cash outflow from financing	(872,281)	(394,423)

(c) Analysis of changes in net debt

	1 January 2013 £	Cashflows £	31 December 2013 £
Cash at bank and in hand	465,819	(132,046)	333,773
Bank overdraft	(2,454,170)	1,759,698	(694,472)
	(1,988,351)	1,627,652	(360,699)
Debt due within one year	(765,399)	(5,031)	(770,430)
Debt due after one year	(863,805)	770,450	(93,355)
Finance leases and hire purchase contracts	(592,311)	106,862	(485,449)
	(2,221,515)	872,281	(1,349,234)
Total net debt	(4,209,866)	2,499,933	(1,709,933)

(d) Reconciliation of net cash inflow/(outflow) to movement in net debt

	1 January 2013 to 31 December 2013 £	1 July 2011 to 31 December 2012 £
Increase/(decrease) in cash in the year	1,627,652	(1,550,652)
Cash outflow from reduction in debt and lease financing	872,281	394,423
Change in net debt resulting from cash flows and movement in net debt in the year	2,499,933	(1,156,229)
Opening net debt	(4,209,866)	(3,053,637)
Closing net debt	(1,709,933)	(4,209,866)

(e) Restriction on cash

As set out in note 14 to the financial statements, a bank deposit of £746,125 (2012 : £746,125) is held in a separate rent deposit account.

Chantrey Vellacott DFK LLP

Notes to the financial statements

Year ended 31 December 2013

21 Operating lease commitments

At 31 December 2013 the group had annual commitments under operating leases as follows:

	Land and buildings		Other	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
	£	£	£	£
Operating leases which expire:				
Within one year	33,750	-	-	-
Within one to two years	168,633	52,930	-	-
Within two to five years	98,650	252,833	32,938	42,144
After five years	1,464,595	1,464,595	-	-
	<u>1,765,628</u>	<u>1,770,358</u>	<u>32,938</u>	<u>42,144</u>

22 Pensions

The LLP operates a defined contribution pension scheme. Costs in respect of the scheme are charged to the profit and loss account in the period to which they relate.

The LLP's principal pension scheme is a Group Personal Pension Plan provided by Aegon Scottish Equitable. Contributions to the scheme which are charged against profit are based on up to 5% of salaries in respect of eligible employees. The LLP has no other commitment.

The profit and loss charge for pension costs was as follows:

	1 January 2013 to 31 December 2013	1 July 2011 to 31 December 2012
	£	£
Defined contribution scheme - employer contributions	<u>450,088</u>	<u>651,981</u>

23 Related party transactions

As permitted by Financial Reporting Standard 8, Related Party Transactions, no disclosure is made of transactions between the LLP and its wholly owned subsidiary undertakings, CV Capital LLP, CV Thames Valley Limited and Chantrey Vellacott Limited, as those transactions are eliminated in these consolidated accounts.

There are no material transactions between the LLP and its other subsidiary and associated undertakings.

During the year Chantrey Vellacott DFK LLP continued to make available a working capital facility to CV Retail Limited, which is a subsidiary undertaking of CVR LLP, a number of the members of which are also members of Chantrey Vellacott DFK LLP. Interest is chargeable on the facility at 4% over Bank base rate. At 31 December 2013 CV Retail Limited owed Chantrey Vellacott DFK LLP £92,108 (2012 : £251,994), excluding interest, which is likely to be fully recoverable within twelve months.

24 Parent undertaking guarantee

Chantrey Vellacott DFK LLP guarantees all the outstanding liabilities to which CV Thames Valley Limited and Chantrey Vellacott Limited are subject, as at 31 December 2013, in accordance with section 479C of the Companies Act 2006.

These companies have therefore taken advantage of exemption from audit by virtual of section 479A of the Companies Act 2006.

25 Contingent liabilities

There were no contingent liabilities at 31 December 2013.

There was a contingent liability of £200,000 at 31 December 2012.