

# BrandOpus LLP

## Annual Report and Financial Statements

For the year ended 30 April 2016



# BrandOpus LLP

## Limited Liability Partnership Information

---

<b>Designated members</b>	N Wegrzyn P Taylor L Willmott
<b>Limited liability partnership number</b>	OC324120
<b>Registered office</b>	Devonshire House 60 Goswell Road London EC1M 7AD
<b>Auditors</b>	Kingston Smith LLP Charlotte Building 17 Gresse Street London W1T 1QL
<b>Bankers</b>	Coutts & Co (Strand) 440 Strand London WC2R 0QS

---

# BrandOpus LLP

## Contents

---

	<b>Page</b>
Strategic report	1 - 2
Members' report	3 - 4
Independent auditors' report	5 - 6
Consolidated statement of total comprehensive income	7
Group balance sheet	8 - 9
Company balance sheet	10 - 11
Group reconciliation of members' interests	12 - 13
Consolidated statement of cash flows	16
Notes to the financial statements	17 - 34

---

# BrandOpus LLP

## Strategic Report

For the year ended 30 April 2016

---

The directors present the strategic report and financial statements for the year ended 30 April 2016.

### **Fair review of the business**

Founded in 2007 with an ambition to provide a new generation solution to branding, Brandopus Group are strategic packaging design specialists with a global reach, operating out of studios in London, Melbourne & New York.

The Group's combination of rigorous strategy and meaningful creative has a proven track record in all areas of brand design, resulting in an industry-leading collection of design effectiveness awards, including 20 DBA's. The agency works across a wide range of design disciplines, and with a variety of clients ranging from small luxury brands to financial institutions through to global FMCG brands, including Twinings, Belvedere Vodka, Molson Coors, including Carling and Cobra, McCain, Dairy Crest and McCormick.

In 2015 the company was awarded the title of Packaging Agency of the Year by The Grocer MAP Awards for the 6th year in a row, as well as winning two design effectiveness awards and a Luxury Packaging commendation.

The Group has grown steadily over the year, with turnover increasing by 6%. This financial year also saw the launch of Brandopus (US) Inc in New York City. This sees the company servicing existing clients based in New York, and growing new partnerships throughout the US market.

### **Principal risks and uncertainties**

The principal risks to business are subject to ongoing monitoring by the partners of the Group. The key risks and uncertainties affecting the group are:

**Competitive pressures** - as the group operates in a competitive market there is always a risk of losing sales and new business opportunities to competitors. The company manages this risk by maintaining strong relationships with all clients and offering a creative product that is effective and has a commercial impact on the clients' business. The Group is also continuing to implement new generation branding solutions, which will allow it to continue to stay ahead of the competition.

**Market conditions** – there are increasing financial pressures on clients, as businesses are continually looking for better returns on marketing spend investments and clients' marketing budgets are under continuing scrutiny. The Group tries to mitigate this risk by constantly seeking cost effective creative solutions, which provide clients with better returns.

**Cashflow and Interest rate risk** – the interest rate on credit facilities are at market rate and the Group's policy is to keep the overdraft within the defined limits so that any change in market rates would not have a material effect on cashflows. The partners monitor the overall level of borrowing continually to limit any exposure to cashflow pressures.

# BrandOpus LLP

## Strategic Report (Continued)

For the year ended 30 April 2016

---

### Key performance indicators

The partners measure the Group's performance against its strategic objectives and financial performance on an ongoing basis. Key Performance Indicator (KPI) measures are those that communicate the financial performance and strength of the Group namely turnover, gross margin and operating profit.

Financial performance controls include the preparation and review of detailed monthly management accounts, which include measures of gross profit, profitability and other financial indicators.

The most significant performance indicators are:

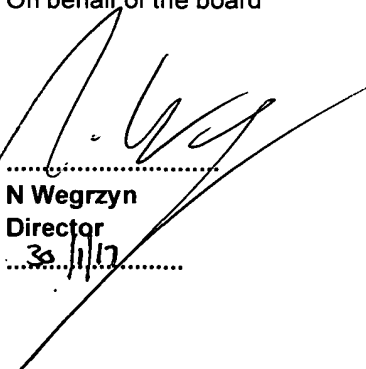
- a. Group turnover which increased by 6%, due to some significant business wins
- b. Gross Profit increased by 7% and Gross Profit Margin, increased by 1% to 93%, PY 92%, as result of increase in turnover above
- c. Operating profit increased by 29% and operating profit margin by 4% to 21%, PY 17%, which is indicative of stricter cost control.

### Future outlook

After an in-depth review of the Group's financial performance, risks and market conditions, the partners are confident that the Group has sufficient resources, effective strategy and meaningful creative in place to meet the objective of growth.

The Group continues to grow in adverse market conditions, owing to its strengths in creating new generation solutions to branding.

On behalf of the board



.....  
N Wegrzyn  
Director  
30/11/17  
.....

# BrandOpus LLP

## Members' Report

For the Year Ended 30 April 2016

---

The directors present their annual report and financial statements for the year ended 30 April 2016.

### Principal activities

The principal activity of the limited liability partnership and group continued to be that of a design company.

### Designated members

The members who held office during the year and up to the date of signature of the financial statements were as follows:

N Wegrzyn  
P Taylor  
L Willmott

### Auditors

The auditors, Kingston Smith LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of members' responsibilities

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

LLP law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) requires 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). Under LLP law (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) the members 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 limited liability partnership and of the profit or loss of the limited liability partnership for that year. In preparing those 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 limited liability partnership will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and disclose with reasonable accuracy at any time the financial position of the limited liability partnership and to enable them to ensure that the financial statements comply with the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the group and limited liability partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# BrandOpus LLP

## Members' Report (Continued)

For the Year Ended 30 April 2016

---

### Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the members



N Wegrzyn  
Designated Member

Date: 30/1/17

# BrandOpus LLP

## Independent Auditors' Report

### To the Members of Brandopus LLP

---

We have audited the financial statements of BrandOpusLLP for the year ended 30 April 2016 which comprise the Consolidated Statement of Total Comprehensive Income, Consolidated Balance Sheet, LLP Balance Sheet, Consolidated Reconciliation of Members' Interests, Consolidated Statement of Cash Flows 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), including Financial Reporting Standard FRS 102.

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 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 limited liability partnership's members those matters we are required to state to them in an auditors' 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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

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 limited liability partnership's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the designated members; 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 group's and limited liability partnership's affairs as at 30 April 2016 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Members' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# BrandOpus LLP

## Independent Auditors' Report (Continued)

To the Members of Brandopus LLP

---

### 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.



**Esther Carder (Senior Statutory Auditor)**  
for and on behalf of Kingston Smith LLP

**Statutory Auditor**

31/1/17

Charlotte Building  
17 Gresse Street  
London  
W1T 1QL

# BrandOpus LLP

## Consolidated Statement of Total Comprehensive Income

For the Year Ended 30 April 2016

	Notes	2016 £	2015 £
<b>Turnover</b>	<b>3</b>	8,178,523	7,730,311
Cost of sales		(558,725)	(598,885)
<b>Gross profit</b>		7,619,798	7,131,426
Administrative expenses		(6,127,466)	(5,868,055)
Other operating income		211,572	59,855
<b>Operating profit</b>	<b>4</b>	1,703,904	1,323,226
Interest receivable and similar income	<b>7</b>	327	570
Interest payable and similar charges	<b>8</b>	(135,919)	(152,936)
<b>Profit on ordinary activities before taxation</b>		1,568,312	1,170,860
Tax on profit on ordinary activities	<b>9</b>	(51,973)	(5,220)
<b>Profit for the financial period before member's remuneration and profit shares</b>		1,516,339	1,165,640
Currency translation differences		(5,811)	(7,716)
<b>Total comprehensive income for the year</b>		1,510,528	1,157,924
<b>Profit for the financial year before members' remuneration and profit shares</b>		1,516,339	1,165,640
Members' remuneration charged as an expense		(1,364,407)	(1,199,498)
<b>Result for the financial year available for discretionary division among members</b>		151,932	(33,858)
Currency translation differences		(5,811)	(7,716)
<b>Total comprehensive income for the financial year available for discretionary division among members</b>		146,121	(41,574)

Total comprehensive income for the year is all attributable to the owners of the parent company.

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

# BrandOpus LLP

## Consolidated Balance Sheet

As at 30 April 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Intangible assets	10		45,410		29,957
Tangible assets	11		1,057,868		1,492,087
Investments	12		140,721		140,721
			<u>1,243,999</u>		<u>1,662,765</u>
<b>Current assets</b>					
Debtors	15	3,778,360		3,041,690	
Cash at bank and in hand		17,217		8,657	
		<u>3,795,577</u>		<u>3,050,347</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(2,961,699)</u>		<u>(1,945,537)</u>	
<b>Net current assets</b>			<u>833,878</u>		<u>1,104,810</u>
<b>Total assets less current liabilities</b>			<u>2,077,877</u>		<u>2,767,575</u>
<b>Creditors: amounts falling due after more than one year</b>	17		(1,227,076)		(1,994,283)
<b>Provisions for liabilities</b>	20		(202,750)		(202,750)
<b>Net assets attributable to members</b>			<u>648,051</u>		<u>570,542</u>
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Other amounts			203,107		125,598
			<u>203,107</u>		<u>125,598</u>
<b>Members' other interests</b>					
Members capital			444,944		444,944
			<u>648,051</u>		<u>570,542</u>
<b>Total members' interests</b>					
Amounts due from members			(877,572)		(603,826)
Loans and other debts due to members			203,107		125,851
Members' other interests			444,944		444,944
			<u>(229,521)</u>		<u>(33,031)</u>

# BrandOpus LLP

## Consolidated Balance Sheet (Continued)

As at 30 April 2016

---

The financial statements were approved by the members' and authorised for issue on 30/1/17..... and are signed on its behalf by:



.....  
N Wegrzyn  
**Designated Member**

LLP Registration No. OC324120

# BrandOpus LLP

## LLP Balance Sheet

As at 30 April 2016

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Intangible assets	10		45,410		29,957
Tangible assets	11		1,055,424		1,489,138
Investments	12		140,724		140,723
			<u>1,241,558</u>		<u>1,659,818</u>
<b>Current assets</b>					
Debtors	15	3,767,025		3,003,174	
Cash at bank and in hand		4,773		3,193	
		<u>3,771,798</u>		<u>3,006,367</u>	
<b>Creditors: amounts falling due within one year</b>		<u>(3,086,827)</u>		<u>(1,898,026)</u>	
<b>Net current assets</b>			<u>684,971</u>		<u>1,108,341</u>
<b>Total assets less current liabilities</b>			<u>1,926,529</u>		<u>2,768,159</u>
<b>Creditors: amounts falling due after more than one year</b>	17		(1,227,076)		(1,994,283)
<b>Provisions for liabilities</b>	20		(202,750)		(202,750)
<b>Net assets attributable to members</b>			<u>496,703</u>		<u>571,126</u>
<b>Represented by:</b>					
<b>Loans and other debts due to members within one year</b>					
Other amounts			51,759		126,182
			<u>51,759</u>		<u>126,182</u>
<b>Members' other interests</b>					
Members capital			444,944		444,944
			<u>496,703</u>		<u>571,126</u>
<b>Total members' interests</b>					
Amounts due from members			(868,882)		(600,694)
Loans and other debts due to members			51,759		126,182
Members' other interests			444,944		444,944
			<u>(372,179)</u>		<u>(29,568)</u>

# BrandOpus LLP

## LLP Balance Sheet (Continued)

As at 30 April 2016

---

The financial statements were approved by the members and authorised for issue on 30/1/17..... and are signed on its behalf by:



.....  
N Wegrzyn  
Designated Member

LLP Registration No. OC324120

# BrandOpus LLP

## Consolidated Reconciliation of Members' Interests

For the year ended 30 April 2016

<i>Current financial year</i>	<b>Members' capital (classified as equity)</b>	<b>EQUITY Other reserves</b>	<b>Total</b>	<b>DEBT Other amounts</b>	<b>TOTAL Total 2016</b>
	£	£	£	£	£
Amount due to members				125,851	
Amount due from members				(603,826)	
Members' interests at 1 May 2015	444,944	-	444,944	(477,975)	(33,031)
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	1,364,407	1,364,407
Profit for the financial year available for discretionary division among members	-	151,932	151,932	-	151,932
Currency translation differences	-	(5,811)	(5,811)	-	(5,811)
Members' interests after profit and remuneration for the year	444,944	146,121	591,065	886,432	1,477,497
Other divisions of profits	-	(146,121)	(146,121)	146,121	-
Drawings	-	-	-	(1,707,018)	(1,707,018)
Members' interests at 30 April 2016	444,944	-	444,944	(674,465)	(229,521)
Amounts due to members				203,107	
Amounts due from members, included in debtors				(877,572)	
				(674,465)	

# BrandOpus LLP

## Consolidated Reconciliation of Members' Interests (Continued)

For the year ended 30 April 2016

<i>Prior financial year</i>	Members' capital (classified as equity) £	EQUITY Other reserves £	Total £	DEBT Other amounts £	Total 2015 £
Amount due to members				386,386	
Amount due from members				(1,850,502)	
Members' interests at 1 May 2014	2,388,019	-	2,388,019	(1,464,116)	923,903
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	-	-	1,199,498	1,199,498
Loss for the financial year available for discretionary division among members	-	(33,858)	(33,858)	-	(33,858)
Currency translation differences	-	(7,463)	(7,463)	-	(7,463)
Members' interests after total comprehensive income	2,388,019	(41,321)	2,346,698	(264,618)	2,082,080
Other divisions of losses	-	41,321	41,321	(41,321)	-
Repayments of capital	(1,948,513)	-	(1,948,513)	-	(1,948,513)
Drawings	-	-	-	(2,115,111)	(2,115,111)
Other movements	5,438	-	5,438	1,943,075	1,948,513
Members' interests at 30 April 2015	444,944	-	444,944	(477,975)	(33,031)
Amounts due to members				125,851	
Amounts due from members, included in debtors				(603,826)	
				(477,975)	



# BrandOpus LLP

## LLP Reconciliation of Members' Interests

For the year ended 30 April 2016

### *Current financial year*

	<b>EQUITY</b> <b>Members'</b> <b>capital</b> <b>(classified as</b> <b>equity)</b> <b>£</b>	<b>DEBT</b> <b>Loans and</b> <b>other debts</b> <b>due to/(from)</b> <b>members'</b> <b>£</b>	<b>Total</b> <b>2016</b>  <b>£</b>
Amount due to members		126,182	
Amount due from members		(600,694)	
Members' interests at 1 May 2015	444,944	(474,512)	(29,568)
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	1,364,407	1,364,407
Profit for the financial year available for discretionary division among members	-	-	-
Members' interests after loss and remuneration for the year	444,944	889,895	1,334,839
Drawings	-	(1,707,018)	(1,707,018)
Members' interests at 30 April 2016	444,944	(817,123)	(372,179)
Amounts due to members		51,759	
Amounts due from members, included in debtors		(868,882)	
		(817,123)	

# BrandOpus LLP

## LLP Reconciliation of Members' Interests (Continued)

For the year ended 30 April 2016

### *Prior financial year*

	<b>EQUITY</b> <b>Members'</b> <b>capital</b> <b>(classified as</b> <b>equity)</b> <b>£</b>	<b>DEBT</b> <b>Loans and</b> <b>other debts</b> <b>due to/(from)</b> <b>members'</b> <b>£</b>	<b>Total</b> <b>2015</b>  <b>£</b>
Amount due to members		352,859	
Amount due from members		(1,854,833)	
Members' interests at 1 May 2014	2,388,019	(1,501,974)	886,045
Members' remuneration charged as an expense, including employment costs and retirement benefit costs	-	1,199,498	1,199,498
Profit for the financial year available for discretionary division among members	-	-	-
Members' interests after loss and remuneration for the year	2,388,019	(302,476)	2,085,543
Repayments of capital	(1,948,513)	-	(1,948,513)
Drawings	-	(2,115,111)	(2,115,111)
Other movements	5,438	1,943,075	1,948,513
Members' interests at 30 April 2015	444,944	(474,512)	(29,568)
Amounts due to members		126,182	
Amounts due from members, included in debtors		(600,694)	
		(474,512)	

# BrandOpus LLP

## Consolidated Statement of Cash Flows

For the year Ended 30 April 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	24	2,628,337		2,024,856	
Interest paid		(60,484)		(39,406)	
Income taxes paid		(6,233)		(5,220)	
<b>Net cash inflow from operating activities</b>		<b>2,561,620</b>		<b>1,980,230</b>	
<b>Investing activities</b>					
Purchase of intangible assets		(25,281)		(34,845)	
Purchase of tangible fixed assets		(53,502)		(211,839)	
Proceeds on disposal of tangible fixed assets		1,708		136,143	
Interest received		327		570	
<b>Net cash used in investing activities</b>		<b>(76,748)</b>		<b>(109,971)</b>	
<b>Financing activities</b>					
Proceeds from borrowings		200,000		29,349	
Repayment of borrowings		(668,223)		-	
Payment of finance leases obligations		(356,796)		(467,857)	
<b>Net cash used in financing activities</b>		<b>(825,019)</b>		<b>(438,508)</b>	
<b>Transactions with members and former members</b>					
Drawings		(1,707,018)		(1,920,549)	
Net capital withdrawn		-		(94,562)	
		<b>(1,707,018)</b>		<b>(2,015,111)</b>	
<b>Net decrease in cash and cash equivalents</b>		<b>(47,165)</b>		<b>(583,360)</b>	
Cash and cash equivalents at beginning of year		(365,761)		217,599	
<b>Cash and cash equivalents at end of year</b>		<b>(412,926)</b>		<b>(365,761)</b>	
<b>Relating to:</b>					
Cash at bank and in hand		17,217		8,657	
Bank overdrafts included in creditors payable within one year		(430,143)		(374,418)	

# BrandOpus LLP

## Notes to the Financial Statements

For the year Ended 30 April 2016

---

### 1 Accounting policies

#### Company information

BrandOpus LLP ("the LLP") is a limited liability partnership domiciled and incorporated in England and Wales. The registered office is Devonshire House, 60 Goswell Road, London, EC1M 7AD.

The Group consists of BrandOpus LLP and all of its subsidiaries.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applied by Limited Liability Partnerships and the Statement of Recognised Practice (SORP), Accounting by Limited Liability Partnerships, issued in July 2015. This is the first set of financial statements prepared under FRS 102. The date of transition to FRS 102 is 1 May 2014.

The financial statements are prepared in sterling, which is the functional currency of the LLP. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These group and company financial statements for the year ended 30 April 2016 are the first financial statements of BrandOpus LLP and the group prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The financial statements for the preceding period were prepared in accordance with previous UK GAAP. The date of transition to FRS 102 was 1 May 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

As permitted by s408 Companies Act 2006, the LLP has not presented its own profit and loss account and related notes. The LLP's profit for the year was £1,364,407 (2015 - £1,199,498 profit).

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

### 1 Accounting policies

(Continued)

#### 1.2 Basis of consolidation

The consolidated financial statements incorporate those of BrandOpus LLP and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 30 April 2016.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

#### 1.3 Going concern

At the time of approving the financial statements, the members have a reasonable expectation that the limited liability partnership has adequate resources to continue in operational existence for the foreseeable future. Thus the members continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

### 1 Accounting policies

(Continued)

#### 1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date if the fair value can be measured reliably.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	20% straight line
--------------------	-------------------

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Computer equipment	25% - 33% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.7 Impairment of fixed assets

At each reporting end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

### 1 Accounting policies

(Continued)

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.



# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

### 1 Accounting policies

(Continued)

#### Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.10 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

### 1 Accounting policies

(Continued)

#### 1.12 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

#### 1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.15 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### 1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### ***Depreciation***

The annual depreciation charge for fixed tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 11 for the carrying amount of the property, plant and equipment and note 1.6 for the useful economic lives for each class of asset.

#### ***Accrued income/Work in progress***

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones in the contract and the time spent to date compared to the total time expected to be required to undertake the contract. Estimates of the total time required to undertake the contracts are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

#### ***Dilapidation provisions***

Provisions have been made for dilapidations. These provisions are estimates and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2016 £	2015 £
Turnover	8,178,523	7,730,311

#### Turnover analysed by geographical market

	2016 £	2015 £
Within the UK	6,480,868	5,797,783
Outside the UK	1,697,655	1,932,528
	8,178,523	7,730,311

### 4 Operating profit

	2016 £	2015 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses/(gains)	20,061	10,888
Depreciation of owned tangible fixed assets	184,880	269,892
Depreciation of tangible fixed assets held under finance leases	302,840	378,220
Profit on disposal of tangible fixed assets	(1,707)	(31,712)
Amortisation of intangible assets	9,828	4,888
Operating lease charges	998,342	899,524

### 5 Auditors' remuneration

	2016 £	2015 £
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the group and company	13,800	11,600

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 6 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2016 Number	2015 Number
Employees	78	72

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	3,054,953	2,944,091
Social security costs	327,603	282,889
Pension costs	76,339	66,341
	3,458,895	3,293,321

### 7 Interest receivable and similar income

	2016 £	2015 £
Interest income		
Interest on bank deposits	327	570

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	327	570
--	-----	-----

### 8 Interest payable and similar charges

	2016 £	2015 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	60,484	39,406
Interest on finance leases and hire purchase contracts	75,435	113,530
	135,919	152,936

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 9 Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	45,740	-
Foreign current tax on profits for the current period	6,233	5,220
	<u>51,973</u>	<u>5,220</u>
Total current tax		

### 10 Intangible fixed assets

#### Group and LLP

#### Patents & licences

	£
<b>Cost</b>	
At 1 May 2015	34,845
Additions	25,281
	<u>60,126</u>
At 30 April 2016	
<b>Amortisation and impairment</b>	
At 1 May 2015	4,888
Amortisation charged for the year	9,828
	<u>14,716</u>
At 30 April 2016	
<b>Carrying amount</b>	
At 30 April 2016	45,410
	<u>29,957</u>
At 30 April 2015	

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 11 Tangible fixed assets

Group	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2015	1,794,466	655,566	263,734	2,713,766
Additions	17,484	26,268	9,750	53,502
Disposals	-	(4,995)	(27,256)	(32,251)
At 30 April 2016	1,811,950	676,839	246,228	2,735,017
<b>Depreciation and impairment</b>				
At 1 May 2015	512,892	458,031	250,756	1,221,679
Depreciation charged in the year	354,955	122,232	10,533	487,720
Eliminated in respect of disposals	-	(4,995)	(27,255)	(32,250)
At 30 April 2016	867,847	575,268	234,034	1,677,149
<b>Carrying amount</b>				
At 30 April 2016	944,103	101,571	12,194	1,057,868
At 30 April 2015	1,281,574	197,535	12,978	1,492,087
<b>LLP</b>				
	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 May 2015	1,794,466	648,370	263,734	2,706,570
Additions	17,484	24,430	9,750	51,664
Disposals	-	(4,995)	(27,256)	(32,251)
At 30 April 2016	1,811,950	667,805	246,228	2,725,983
<b>Depreciation and impairment</b>				
At 1 May 2015	512,892	453,784	250,756	1,217,432
Depreciation charged in the year	354,955	119,889	10,533	485,377
Eliminated in respect of disposals	-	(4,995)	(27,255)	(32,250)
At 30 April 2016	867,847	568,678	234,034	1,670,559
<b>Carrying amount</b>				
At 30 April 2016	944,103	99,127	12,194	1,055,424
At 30 April 2015	1,281,574	194,586	12,978	1,489,138

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 11 Tangible fixed assets

(Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £302,840 (2015 - £378,220) for the year.

	Group 2016 £	2015 £	LLP 2016 £	2015 £
Fixtures and fittings	738,687	1,013,924	738,687	1,013,924
Motor vehicles	4,265	13,769	4,265	13,769
Computer equipment	2,852	19,935	2,852	19,935
	<u>745,804</u>	<u>1,047,628</u>	<u>745,804</u>	<u>1,047,628</u>

### 12 Fixed asset investments

	Group 2016 £	2015 £	LLP 2016 £	2015 £
Investments in subsidiaries	-	-	3	2
Unlisted investments	140,721	140,721	140,721	140,721
	<u>140,721</u>	<u>140,721</u>	<u>140,724</u>	<u>140,723</u>

### Movements in fixed asset investments

Group	Unlisted Investments £
<b>Cost or valuation</b>	
At 1 May 2015	<u>140,721</u>
<b>Carrying amount</b>	
At 30 April 2016	<u>140,721</u>
At 30 April 2015	<u>140,721</u>



# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 12 Fixed asset investments

(Continued)

LLP	Unlisted Investments £	Shares in group undertakings £	Total £
<b>Cost or valuation</b>			
At 1 May 2015	140,721	2	140,723
Additions	-	1	1
At 30 April 2016	140,721	3	140,724
<b>Carrying amount</b>			
At 30 April 2016	140,721	3	140,724
At 30 April 2015	140,721	2	140,723

### 13 Subsidiaries

Details of the company's subsidiaries at 30 April 2016 are as follows:

Name of undertaking and country of incorporation or residency		Nature of business	Class of shareholding	% Held Direct Indirect	
Soup Brand Design Limited	England & Wales	Dormant	Ordinary	100	-
BrandOpus Holdings Limited	England & Wales	Dormant	Ordinary	100	-
BrandOpus (Australia) Pty Ltd	England & Wales	Design	Ordinary	-	100
Opus Corporate Member Limited	England & Wales	Corporate member	Ordinary	100	-
BrandOpus Group Services Limited	England & Wales	Provision of staff	Ordinary	100	-
Brandopus (US) Inc	England & Wales	Design	Ordinary	-	100

The aggregate capital and reserves and the profit for the year of the subsidiaries noted above was as follows:

Name of undertaking	Nature of business	Profit/(Loss) £	Capital and Reserves £
BrandOpus (Australia) Pty Ltd	Design	(19,950)	(21,359)
BrandOpus Group Services Limited	Provision of staff	182,959	614,651
Brandopus (US) Inc	Design	(11,021)	(11,021)

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 14 Financial instruments

	Group		LLP	
	2016	2015	2016	2015
	£	£	£	£
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	3,544,436	2,754,531	3,520,014	2,716,015
Equity instruments measured at cost less impairment	140,721	140,721	140,724	140,723
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	3,461,445	3,551,531	3,931,944	3,543,654

### 15 Debtors

	Group		LLP	
	2016	2015	2016	2015
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	1,791,396	1,080,951	1,689,128	1,029,613
Amounts owed by group undertakings	-	-	176,169	59,033
Amounts due from members	877,572	603,826	868,882	600,694
Other debtors	563,890	543,925	499,642	501,713
Prepayments and accrued income	545,502	812,988	533,204	812,121
	3,778,360	3,041,690	3,767,025	3,003,174

### 16 Creditors: amounts falling due within one year

		Group		LLP	
	Notes	2016	2015	2016	2015
		£	£	£	£
Loans and overdrafts	18	430,143	374,418	430,143	374,418
Obligations under finance leases	19	300,942	283,319	300,942	283,319
Corporation tax payable		45,740	-	-	-
Other taxation and social security		356,747	260,832	44,029	221,198
Trade creditors		510,094	379,201	348,479	377,288
Amounts due to fellow group undertakings		-	-	756,039	-
Other creditors		435,964	218,196	420,741	217,943
Accruals and deferred income		882,069	429,571	786,454	423,860
		2,961,699	1,945,537	3,086,827	1,898,026

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 17 Creditors: amounts falling due after more than one year

	Notes	Group		LLP	
		2016 £	2015 £	2016 £	2015 £
Loans and overdrafts	18	813,551	1,281,774	813,551	1,281,774
Obligations under finance leases	19	413,525	712,509	413,525	712,509
		<u>1,227,076</u>	<u>1,994,283</u>	<u>1,227,076</u>	<u>1,994,283</u>

### 18 Loans and overdrafts

		Group		LLP	
		2016 £	2015 £	2016 £	2015 £
Bank overdrafts		430,143	374,418	430,143	374,418
Other loans		813,551	1,281,774	813,551	1,281,774
		<u>1,243,694</u>	<u>1,656,192</u>	<u>1,243,694</u>	<u>1,656,192</u>
Payable within one year		430,143	374,418	430,143	374,418
Payable after one year		813,551	1,281,774	813,551	1,281,774

There is a fixed and floating charge over the assets of the company, delivered on 1 February 2013.

### 19 Future finance lease obligations

	Group		LLP	
	2016 £	2015 £	2016 £	2015 £
Minimum lease payments due under finance leases:				
Within one year	300,942	283,319	300,942	283,319
In two to five years	413,525	712,509	413,525	712,509
	<u>714,467</u>	<u>995,828</u>	<u>714,467</u>	<u>995,828</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 51 months. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

### 20 Provisions for liabilities

	Group		LLP	
	2016	2015	2016	2015
	£	£	£	£
Provision for dilapidations	202,750	202,750	202,750	202,750

Movements on provisions:

Group	£
At 1 May 2015 and 30 April 2016	202,750

### 21 Retirement benefit schemes

	2016	2015
	£	£
Defined contribution schemes		
Charge to profit and loss in respect of defined contribution schemes	76,339	66,341

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 22 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		LLP	
	2016	2015	2016	2015
	£	£	£	£
Within one year	830,763	830,763	830,763	830,763
Between two and five years	1,315,374	2,146,137	1,315,374	2,146,137
	2,146,137	2,976,900	2,146,137	2,976,900

### 23 Related party transactions

The limited liability partnership has taken advantage of the exemption available in FRS 8 "Related Party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

As at 30 April 2016 the LLP owed P Shirtcliffe, the father of L Willmott a designated member, £100,000 (2015: £100,000). As at 30 April the LLP owed L Willmott, a designated member £200,000 (2015: £Nil).

# BrandOpus LLP

## Notes to the Financial Statements (Continued)

For the year Ended 30 April 2016

---

<b>24 Cash generated from operations</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Profit for the year after tax	1,516,339	1,165,640
Adjustments for:		
Taxation charged	51,973	5,220
Finance costs	135,919	152,936
Investment income	(327)	(570)
Gain on disposal of tangible fixed assets	(1,707)	(31,712)
Amortisation and impairment of intangible assets	9,828	4,888
Depreciation and impairment of tangible fixed assets	487,720	648,112
Foreign exchange gains on cash equivalents	(5,558)	(7,463)
Investments acquired through provision of services	-	(105,000)
Movements in working capital:		
(Increase)/decrease in debtors	(462,924)	132,158
Increase in creditors	897,074	60,647
<b>Cash generated from operations</b>	<b>2,628,337</b>	<b>2,024,856</b>

## 25 Controlling party

There is no ultimate controlling party. The limited liability partnership is controlled by its members.

## 26 Adoption of FRS 102

The company has adopted FRS 102 for the year ended 30 April 2016 and no restatements to the comparative prior year amounts have been required.