

## **BTG Advisory (Investigations) Limited**

Report and Financial Statements

Year Ended

30 April 2019

Company Number: 2910407



# BTG Advisory (Investigations) Ltd

Report and financial statements  
for the year ended 30 April 2019

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## Contents

### Page:

1	Directors' report
2	Directors' responsibilities statement
3	Income statement
4	Balance sheet
5	Statement of changes in equity
6	Notes to the financial statements

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## Directors

Begbies Traynor Limited	
R W Traynor	(appointed 16 April 2019)
D Shelmerdine	(resigned 16 April 2019)

## Secretary

J A Humphrey

## Registered office

340 Deansgate  
Manchester  
M3 4LY

## Company number

2910407

# **BTG Advisory (Investigations) Ltd**

## **Directors' report for the year ended 30 April 2019**

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The directors present their annual report on the affairs of the company and the financial statements for the year ended 30 April 2019.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under section 414B of the Companies Act 2006. The company is classified as small, and accordingly, a strategic report has not been prepared.

For the financial year ended 30 April 2019, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

### **PRINCIPAL ACTIVITIES**

The principal activity of the company was an investigations agency.

### **RESULTS AND DIVIDENDS**

The loss for the year after taxation amounted to £84,576 (2018: £23,573).

No ordinary dividend was paid during the year (2018: £nil).

### **BASIS OF PREPARATION**

The company ceased trading on 30 April 2019. The directors do not consider the company to be a going concern, so the financial statements have been prepared on a basis other than going concern which includes, where appropriate, writing down the company's assets to net realisable value. No material adjustments arose as a result of ceasing to apply the going concern basis.

### **DIRECTOR**

The directors who served during the year and since the year end are shown on the contents page.

Approved by the directors and signed on 23 January 2020.



R W Traynor  
Director

# **BTG Advisory (Investigations) Ltd**

## **Directors' responsibility statement**

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### **Directors' responsibilities**

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. As explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# BTG Advisory (Investigations) Ltd

## Income statement for the year ended 30 April 2019

	Note	2019 £	2018 £
<b>Revenue</b>	3	148,034	398,595
Cost of sales		(155,671)	(308,124)
Gross (loss) / profit		(7,637)	90,471
Administrative expenses		(76,939)	(114,044)
<b>Operating loss and loss on ordinary activities before taxation</b>	4	(84,576)	(23,573)
Taxation on loss on ordinary activities	6	-	-
<b>Loss for the financial year</b>		(84,576)	(23,573)

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

All results were derived from discontinued operations.

The notes on pages 6 to 12 form part of these financial statements.

# BTG Advisory (Investigations) Ltd

Balance sheet as at 30 April 2019

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Intangible assets	7	-	-
Tangible assets	8	-	534
		<u>-</u>	<u>534</u>
<b>Current assets</b>			
Debtors	9	46,833	112,841
Cash at bank and in hand		24,433	36,920
		<u>71,266</u>	<u>149,761</u>
<b>Creditors: amounts falling due within one year</b>	10	(3,765,390)	(3,759,843)
<b>Net current liabilities</b>		<u>(3,694,124)</u>	<u>(3,610,082)</u>
<b>Net liabilities</b>		<u>(3,694,124)</u>	<u>(3,609,548)</u>
<b>Capital and reserves</b>			
Called-up share capital	12	100	100
Profit and loss account		(3,694,224)	(3,609,648)
<b>Shareholders' deficit</b>		<u>(3,694,124)</u>	<u>(3,609,548)</u>

For the financial year ended 30 April 2019, the company was entitled to exemption from audit under section 479A of the Companies Act 2006. No members have required the company to obtain an audit of its accounts for year ended 30 April 2019 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The company's financial statements been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption under section 414B of the Companies Act 2006.

The notes on pages 6 to 12 form part of these financial statements.

The financial statements of BTG Advisory (Investigations) Limited, registered number 2910407, were approved and signed by the directors and authorised for issue on 23 January 2020.



R W Traynor  
Director

# BTG Advisory (Investigations) Ltd

## Statement of changes in equity as at 30 April 2019

	Share Capital £	Retained earnings £	Total equity £
<b>At 1 May 2017</b>	100	(3,586,075)	(3,585,975)
Loss and other comprehensive income for the financial year	-	(23,573)	(23,573)
<b>At 30 April 2018</b>	100	(3,609,648)	(3,609,548)
Loss and other comprehensive income for the financial year	-	(84,576)	(84,576)
<b>At 30 April 2019</b>	100	(3,694,224)	(3,694,124)

The notes on pages 6 to 12 form part of these financial statements.

# BTG Advisory (Investigations) Ltd

## Notes to the financial statements for the year ended 30 April 2019

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### 1 Accounting policies

BTG Advisory (Investigations) Ltd is a company incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the directors' report. The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

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

The company ceased trading on 30 April 2019. The directors do not consider the company to be a going concern, so the financial statements have been prepared on a basis other than going concern which includes, where appropriate, writing down the company's assets to net realisable value. No material adjustments arose as a result of ceasing to apply the going concern basis.

#### **FRS102 exemptions**

FRS 102 allows a qualifying entity certain exemptions. The company has taken advantage of the available exemptions not to disclose:

- a statement of cash flows;
- certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the company is consolidated; and
- key management personnel compensation in total.

The following principal accounting policies have been applied:

#### **Basis of preparation**

The directors do not consider the company to be a going concern, so the financial statements have been prepared on a basis other than going concern which includes, where appropriate, writing down the company's assets to net realisable value. No material adjustments arose as a result of ceasing to apply the going concern basis.

#### **Revenue**

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

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

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

Unbilled revenue on individual client assignments is included as unbilled income within trade and other receivables.

For contingent fee engagements, revenue is only recognised (over and above any agreed minimum fee) when it is virtually certain at the balance sheet date of a successful outcome to the engagement.

# BTG Advisory (Investigations) Ltd

## Notes to the financial statements for the year ended 30 April 2019

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### 1 Accounting policies (continued)

#### *Intangible fixed assets and amortisation*

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

#### *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment:	10% to 33% straight line
Office equipment:	15% straight line

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

#### *Leases*

Rentals under operating leases are charged to the profit and loss account in equal instalments over the lease term. Lease incentives are spread on a straight-line basis over the period of the lease.

#### *Financial instruments*

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

#### *Cash and cash equivalents*

Cash and cash equivalents comprise cash in hand and on-demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

#### *Trade debtors*

Trade debtors are stated at amortised cost less allowances for estimated irrecoverable amounts.

#### *Trade creditors*

Trade creditors are stated at their amortised cost.

#### *Financial liabilities and equity instruments*

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 company after deducting all of its liabilities.

#### *Current and deferred taxation*

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

# BTG Advisory (Investigations) Ltd

## Notes to the financial statements for the year ended 30 April 2019

### 1 Accounting policies (continued)

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In the process of applying the company's accounting policies, the company is required to make certain estimates, judgements and assumptions that it believes are reasonable based upon the information available. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the periods presented.

On an ongoing basis, the company evaluates its estimates using historical experience, consultation with experts and other methods considered reasonable in the particular circumstances. Actual results may differ from the estimates, the effect of which is recognised in the period in which the facts that give rise to the revision become known.

#### (i) Critical judgements in applying the Company's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied.

#### (ii) Key accounting estimates and assumptions

The directors do not consider there to be any key accounting estimates and assumptions that require further analysis.

### 3 Revenue

All revenue arose within the United Kingdom and is stated net of value added tax.

### 4 Loss before taxation

	2019 £	2018 £
Depreciation of tangible fixed assets	531	355
Operating lease rentals:	-	641
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# BTG Advisory (Investigations) Ltd

## Notes to the financial statements for the year ended 30 April 2019

### 5 Employees

	2019 £	2018 £
Staff costs (including directors) consist of:		
Wages and salaries	90,105	119,181
Social security costs	9,948	15,990
Pension costs	5,534	8,267
	<u>105,587</u>	<u>143,438</u>

The average number of employees (including directors) during the year was as follows:

	2019 Number	2018 Number
Administration	<u>3</u>	<u>4</u>

Directors received total emoluments of £63,969 (2018: £57,330). The total amount payable to the highest paid director was £63,969 (2018: £57,330).

### 6 Taxation on loss on ordinary activities

	2019 £	2018 £
<i>UK corporation tax</i>		
Current tax on losses of the year	-	-
	<u>-</u>	<u>-</u>

The tax assessed for the year is different than the standard rate of corporation tax in the UK applied to loss before tax. The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	<u>(83,988)</u>	<u>(23,573)</u>
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19% (2018 - 19%)	(15,958)	(4,479)
Effects of:		
Expenses not deductible for tax purposes	678	775
Capital allowances in excess of depreciation	(1,268)	(1,554)
Group relief surrendered	16,548	5,258
Total tax charge for the year	<u>-</u>	<u>-</u>

# BTG Advisory (Investigations) Ltd

Notes to the financial statements for the year ended 30 April 2019

## 7 Intangible assets

	Goodwill £
<i>Cost</i>	
At 1 May 2018 and 30 April 2019	32,435
<i>Amortisation</i>	
At 1 May 2018 and 30 April 2019	32,435
<i>Net book value</i>	
At 30 April 2019 and 30 April 2018	-

## 8 Tangible fixed assets

	Computer equipment £	Office equipment £	Total £
<i>Cost</i>			
At 1 May 2018	213,627	4,320	217,947
Additions	585	-	585
Disposals	(1,643)	-	(1,643)
At 30 April 2019	212,569	4,320	216,889
<i>Depreciation</i>			
At 1 May 2018	213,093	4,320	217,413
Charge for the year	531	-	531
Disposals	(1,055)	-	(1,055)
At 30 April 2019	212,569	4,320	216,889
<i>Net book value</i>			
At 30 April 2019	-	-	-
At 30 April 2018	534	-	534

# BTG Advisory (Investigations) Ltd

## Notes to the financial statements for the year ended 30 April 2019

### 9 Debtors

	2019 £	2018 £
Trade debtors	46,833	88,983
Unbilled income	-	20,428
Other debtors and prepayments	-	3,430
	<u>46,833</u>	<u>112,841</u>

All amounts shown under debtors fall due for payment within one year.

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

	2019 £	2018 £
Trade creditors	1,089	4,883
Amounts owed to group undertakings	3,762,100	3,598,096
Tax and social security	1,587	3,181
Accruals and deferred income	614	153,683
	<u>3,765,390</u>	<u>3,759,843</u>

All amounts shown under creditors due within one year are unsecured and repayable on demand.

### 11 Pensions

The company operates defined contribution pension schemes for all qualifying employees. The pension cost for the year amounted to £5,534 (2018: £8,267).

### 12 Share capital

	2019 £	2018 £
<i>Allotted, called up and fully paid</i> 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 13 Guarantees and other financial commitments

#### Guarantees

The company has entered into cross guarantees with fellow subsidiary undertakings in the ordinary course of business in connection with the group's banking facilities. As at 30 April 2019, the group's total net indebtedness to the bank was £7,104,118 (2018: £7,815,819).

#### Capital commitments

There are no outstanding capital commitments (2018: £nil).

# **BTG Advisory (Investigations) Ltd**

## **Notes to the financial statements for the year ended 30 April 2019**

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### **14 Related party disclosures**

#### **Ultimate parent undertaking and controlling party**

The immediate parent undertaking is Begbies Traynor Limited.

The company's ultimate parent undertaking is Begbies Traynor Group plc, a company registered in England and Wales. Copies of the parent's consolidated financial statements can be obtained from the Registrar of Companies. The smallest and largest group in which the results of the company are consolidated is that headed by Begbies Traynor Group plc.

In the opinion of the directors, Begbies Traynor Group plc is the ultimate controlling party.

#### **Related party transactions**

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned as permitted by FRS 102 Section 33.