



Baringa Partners LLP

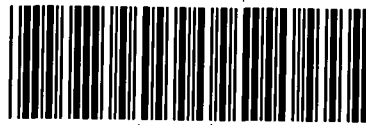
Members' Report and Financial Statements

Year Ended

31 March 2023

Company Number OC303471

TUESDAY



ACH820EB

A02

28/11/2023

#97

COMPANIES HOUSE



About Baringa Partners LLP

We set out to build the world's most trusted consulting firm – creating lasting impact for clients and pioneering a positive, people-first way of working. We work with everyone from FTSE 100 names to bright new start-ups, in every sector.

You'll find us collaborating shoulder-to-shoulder with our clients, from the big picture right down to the detail: helping them define their strategy, deliver complex change, spot the right commercial opportunities, manage risk or bring their purpose and sustainability goals to life. Our clients love how we get to know what makes their businesses tick – slotting seamlessly into their teams and being proudly geeky about solving their challenges.

We have hubs in Europe, the US, Asia and Australia, and we work all around the world – from a wind farm in Wyoming to a boardroom in Berlin. Find us wherever there's a challenge to be tackled and an impact to be made.

Contents

	Page
Information	1
Members' report	2 - 7
Independent auditor's report	8 - 11
Consolidated statement of comprehensive income	12
Consolidated statement of financial position	13 - 14
LLP statement of financial position	15
Consolidated statement of changes in equity	16
LLP statement of changes in equity	17
Consolidated Statement of cash flows	18 - 19
Notes to the financial statements	20 - 43

Information

Designated Members

A Bettridge
A Gaskins
D Hatcher
G Swan

LLP registered number

OC303471

Registered office

62 Buckingham Gate, London, SW1E 6AJ

Independent auditor

BDO LLP, 55 Baker Street, London, W1U 7EU

**Members' Report
for the Year Ended 31 March 2023**

The members present their annual report together with the audited financial statements of Baringa Partners LLP (the "Group") for the year ended 31 March 2023.

Principal activities

The principal activity of the Group is the provision of business and technology consultancy services.

Designated Members

A Bettridge, A Gaskins and I Patel were designated members of the Group throughout the year.

Subsequently, D Hatcher and G Swan were appointed as designated members on 7 September 2023 and I Patel resigned as designated member on 3 October 2023.

Profit distribution and members' capital

Policies for members' profit shares and subscription for and repayment of members' capital are set out in the LLP Agreement dated 9 June 2022 ("the LLP Agreement").

The members participate fully in the LLP's profit and share the risks according to the LLP agreement. Members do not subscribe to the LLP's capital.

Members are remunerated solely out of the profits of the LLP and are personally responsible for funding pensions and other benefits. The LLP's drawings policy allows each member to draw a proportion of their allocated profit entitlement. The balance of their profits is paid only where profits allow and subject to the cash requirements of the business.

Contributions to capital are made by members in such sums as shall be agreed between the members. Members' capital is repayable on retirement from the LLP.

**Members' Report (continued)
for the Year Ended 31 March 2023**

Business review

We've always believed in putting people first to deliver work with a lasting impact. It's not what we do that sets us apart, but how we do it. These principles are the foundation of everything we do, helping us stand out in a crowded consulting marketplace.

As part of this mission, we're proud to be a certified **B Corp™**, meaning we've been independently verified as using business as a force for good. This makes Baringa one of the largest management consultancies to achieve certification. Being a B Corp is validation that Baringa meets high standards of social and environmental performance, transparency, and accountability. And it's the beginning, not the end, of a journey: B Corp status is written into our Partnership Agreement, ensuring we continue to work to make life better for our clients, people, the communities in which we live and work, and the planet.

The year ending 31 March 2023 marked another year of strong, profitable growth in our industries, capabilities and geographies. In financial terms, we grew turnover to £374m, an increase of 40% over last year. Adjusted operating profit increased by 33%. Adjusted operating profit is adjusted for the remeasurement of contingent consideration (refer to note 5). In headcount terms, we grew our team by 45% to 1,899 by the end of the year.

Our achievements recognised

Wherever in the world our people work, our goal is to be an exceptional employer, so we're delighted to continue being recognised as a Great Place To Work. This year, as we moved into the super large category, we came 4th in the UK awards, achieved the Best Overall award for the UK's Best Workplaces in Consulting and Professional Services, and 2nd in the awards for a Great Place To Work for Women. We've been in the top 10 for 14 consecutive years, and rank in top positions for our global hubs too. It's credit to the strong culture that we're building, not just in the UK, but worldwide.

We're equally excited that our clients and peers recognise Baringa's distinctiveness, and the impact of our work. Once again, they voted for us in the FT's UK annual leading management consultants ranking. We sustained our gold medals in Energy, Utilities & Environment, and Oil & Gas, and received 12 additional medals too

Putting people first

Our business is built around putting people first. We measure our success against the lasting impact of our work and our clients' and people's satisfaction ratings. As we grow our brand reputation, we're attracting great clients, top talent and senior expertise.

Putting people first also means putting diversity, equity and inclusion at the heart of our strategy. In 2022, we published a well-received series of articles 'Diversity and Inclusion: Personal journeys', and grown our networks to seven: Embrace, Ethnic Diversity, Gender Diversity, Industry to Consulting, Neurodiversity, Interfaith, Black at Baringa. Our aim is to raise awareness, learn from each other, and challenge our strategy, recruitment, policies and processes to build a diverse and inclusive business. Looking forward, we are building out stronger support for social mobility and disability.

We've continued our global growth throughout the financial year, growing our presence across the UK, mainland Europe, the US and Asia Pacific. We're developing our people in all our hubs and attracting new talent across all levels of the business, including senior local experts. We now have more people, in more places, supporting global clients.

**Members' Report (continued)
for the Year Ended 31 March 2023**

Business review (continued)

Creating impact that lasts

Global energy markets are experiencing seismic change from climate change and political pressures. Our Energy and Resources experts are guiding our clients who span the entire energy value chain – including oil and gas, commodities, power generators, utilities, investors, government and regulators – through the most extreme challenges and unprecedented levels of change.

In Financial Services we work with clients across the banking, markets, insurance, wealth and asset management sectors to shape and deliver their most strategic transformation. The pace of change in the finance sector has never been greater, as technology advances, customer expectations increase and regulation evolves. Our specialists help clients see over the horizon and realise the potential of their business. We shape and build the Financial Services firms of the future.

Our Government and Public Sector practice has been working at the heart of some of UK Government's most strategic programmes in the last year. Our consultants have supported civil servants on high profile projects such as the Energy Bill Relief Scheme, Technology Sourcing Programme and Future Case Working.

Our Products & Services sector, which includes telco and media, technology, consumer products, retail, pharma, R&D and life sciences continues to go from strength to strength. Our clients feel the impact of post pandemic changes in consumer behaviour, the disruption of global supply shocks, and the pressure of the cost of living crisis; we help them stay competitive by getting their products and services to market faster, increasing their sales and profitability, accelerating and de-risking their biggest transformation programmes and building new capabilities in their businesses.

Our Capabilities sector continues to be central to our strategy, underpinning our overall client offering. Clients pursuing workforce transformation, operational excellence, strengthening supply chains, enhancing sustainability strategies, and driving change with digital, data and technology, brought about a significant increase in activity resulting in strong performance across the board this year.

Promoting our brand

Growing across industries, capabilities and geographies made it essential for us to consolidate what we stand for and define what's distinctive about Baringa in the eyes of our clients, the market, and our people. Last year, we refreshed our brand - *Putting people first. Creating impact that lasts* – and grounded in our values of kindness and curiosity. This year, we've started talking about the distinctive way we do business to the market. We've curated a campaign on the economics of kindness, exploring the views of our clients, our experts, academics, and the general public on how kindness in business pays.

Reducing our environmental impact

As a certified B Corp, we're committed to sustainability and to continually improving the environmental impact of our business. We joined the UNFCCC's Race to Zero Campaign in 2021, have set emissions reduction targets, and aim to be net zero aligned by 2030. Our footprint has been re-baselined and externally verified, and we're focused on emissions reduction opportunities in our offices, for our people and with our suppliers. Reducing our emissions is our priority; any emissions under our operational control that we cannot yet meaningfully reduce or eliminate, we offset every year, prioritising carbon removal projects.

The year ahead

Looking to the year ahead, we're excited by the opportunities we see, although we recognise the global economic headwinds that may face us and our clients. We don't underestimate these challenges but are confident in our strategy and the positive difference we can make to our clients' businesses.

**Members' Report (continued)
for the Year Ended 31 March 2023**

Streamlined Energy & Carbon Reporting (SECR)

Our Energy and Carbon Report for the financial year ending 31 March 2023 forms part of the Directors report as required by the Companies and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Reporting boundaries and methodology

We have included our UK-only energy consumption and associated carbon emissions activities following the operational control approach. We used the UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting & Reporting Standard to compile this report. The GHG emissions conversion factors and advisory fuel rates were also sourced from the UK Government.

Commitment to emissions reductions

We are committed to managing our energy consumption and carbon emissions responsibly. Our overarching emissions reduction target is to reduce our global Scope 1, 2 & 3 emissions (gross) in line with the Net-Zero Standard from the Science Based Targets Initiative (SBTi). These targets are pending formal validation in the SBTi process. This commitment is an important part of being a certified B Corporation.

Energy efficiency changes

Our total energy consumption increased by 29% between FY22 and FY23. This was primarily driven by significant growth in the business in terms of both revenue and people, and a corresponding rise in business travel.

- **Gas and electricity:** Consumption of gas and electricity remained largely stable, despite increased office occupancy levels, and the corresponding emissions remained relatively consistent. The decrease in emissions from electricity was driven by changes in UK Government emission factors.

In FY23 we made energy management a central criterion for the assessment and selection of a new facilities provider in the UK. We also migrated our on-premises servers to virtual cloud infrastructure which reduces energy consumption each year.

- **Road travel:** In addition to the increased number of people in the business, changing work patterns following the pandemic meant we co-located with clients and each other more often. This resulted in an increase in business travel and the distance travelled by road more than doubling in FY23. There was a corresponding increase in energy consumption (195%) and emissions (174%).

We continue to encourage lower emission travel options. In FY23 we approved an electric vehicle leasing scheme for implementation in FY24.

**Members' Report (continued)
for the Year Ended 31 March 2023**

Streamlined Energy & Carbon Reporting (SECR) (continued)

Energy consumption and related carbon emissions

	Units	FY22	FY23	Variance (%)
Energy consumption				
Total energy consumption	Thousand kWh	923	1,193	29%
Gas (natural)	Thousand kWh	333	333	0%
Electricity	Thousand kWh	449	442	-1%
Business travel: road	Thousand kWh	142	418	195%
Carbon emissions				
Total carbon emissions	Tonnes CO2e	194	249	29%
Scope 1 (Gas - natural)	Tonnes CO2e	61	61	0%
Scope 2 (Electricity - Location based)	Tonnes CO2e	95	86	-10%
Scope 2 (Electricity - Market based)	Tonnes CO2e	0	0	0%
Scope 3 (Business travel: road)	Tonnes CO2e	37	103	174%
Total carbon emissions intensity				
Full Time Employee (FTE) intensity	Tonnes CO2e / FTE	0.21	0.21	1%
Revenue intensity	Tonnes CO2e / £ millions	1.02	0.95	-7%

FY22 amendments

We have improved our methodology for energy and emissions estimations, resulting in differences between the data submitted for the financial year 2022 (FY22, 1st April 2021 – 31st March 2022) Energy and Carbon Report and the FY23 data above. These improvements include segmenting the data to reflect UK-only energy and emissions under the operational control approach and reflecting the Scope 3 energy emissions specifically from business travel by road using more granular data. The net impact of these differences is a 6% reduction in total energy consumption and an 88% reduction in total carbon emissions compared to the FY22 reported figures.

**Members' Report (continued)
for the Year Ended 31 March 2023**

Members' responsibilities

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

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 requires the members to prepare financial statements for each financial year. Under these regulations 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 these regulations 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 period.

In preparing these financial statements, the members 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 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 the Companies Act 2006) Regulations 2008). They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

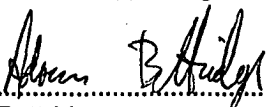
Disclosure of information to auditor

Each of the persons who are members at the time when this members' report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the Limited Liability Partnership's auditor is unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the Limited Liability Partnership's auditor is aware of that information.

Auditor

The auditor, BDO LLP, has indicated its willingness to continue in office. The Designated members will propose a motion re-appointing the auditor at a meeting of the members.


.....

A Bettridge
Designated member

Date: 21/11/23

Independent Auditor's Report to the Members of Baringa Partners LLP

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the Limited Liability Partnership's affairs as at 31 March 2023 and of the group's 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 applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

We have audited the financial statements of Baringa Partners LLP ("the Limited Liability Partnership") for the year ended 31 March 2023 which comprise the consolidated statement of comprehensive income, the consolidated and LLP statements of financial position, the consolidated and LLP statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion on the financial statements

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Limited Liability Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Limited Liability Partnership's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Members with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Baringa Partners LLP (continued)

Other information

The Members are responsible for the other information. The other information comprises the information included in the members' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting as applied to limited liability partnerships

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Members' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Members' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Partnership and its environment obtained in the course of the audit, we have not identified material misstatements in the Members' report.

We have nothing to report in respect of the following matters in relation to which 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.
- The members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Members' Report.

Responsibilities of Members

As explained more fully in the Members' responsibilities, the Members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Members are responsible for assessing the Limited Liability Partnership's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Members either intend to liquidate the Limited Liability Partnership or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Baringa Partners LLP (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Limited Liability Partnership and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Limited Liability Partnership's policies and procedures regarding compliance with laws and regulations;

We considered the significant laws and regulations to be United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006 and relevant tax compliance legislation.

The Limited Liability Partnership is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be employment law and general data protection regulations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred;

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Limited Liability Partnership's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Independent Auditor's Report to the Members of Baringa Partners LLP (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition at cut off, valuation of accrued income, contingent consideration receivables and the potential for management to override controls.

Our procedures in respect of the above but not limited to included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias by testing the key area of estimation uncertainty or judgment, for example, we recomputed the percentage of completion of sampled projects considering the time booked on those projects post year end to assess the reasonableness of accrued revenue at year end in the context of our understanding of the entity and its environment;
- Substantively tested revenue cut off; and
- Challenged management on their assessment of the year end contingent consideration receivable.

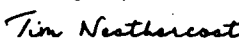
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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 Limited Liability Partnerships (Accounts and Audit) (Application of the 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 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 the Limited Liability Partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

4DBAD10598DC44F...
Tim Neathercoat (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom

Date: 22 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Consolidated Statement of Comprehensive Income
for the Year Ended 31 March 2023**

	Note	2023 £	2022 £
Turnover	4	373,868,817	268,064,865
Cost of sales		(100,817,349)	(76,339,489)
Gross profit		273,051,468	191,725,376
Administrative expenses		(125,334,200)	(80,642,612)
Other operating (expense)/income	5	(35,587,612)	74,446,446
Operating profit	6	112,129,656	185,529,210
Interest receivable and similar income		345,160	1,774
Interest payable and similar expenses		-	(176)
Profit before tax		112,474,816	185,530,808
Tax on profit	9	(1,502,187)	(430,546)
Profit before members' remuneration and profit shares available for discretionary division among members		110,972,629	185,100,262
Total comprehensive income for the year		110,972,629	185,100,262

All amounts relate to continuing operations, with the exception of the other operating (expense)/income (see note 5).

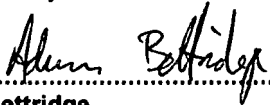
The notes on pages 20 to 43 form part of these financial statements.

**Consolidated Statement of Financial Position
as at 31 March 2023**

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	11		796,938		-
Tangible assets	12		4,542,820		3,861,990
			<u>5,339,758</u>		<u>3,861,990</u>
Current assets					
Debtors: amounts falling due after more than one year	14	16,231,397		50,850,946	
Debtors: amounts falling due within one year	14	156,248,923		147,041,795	
Cash and cash equivalents	16	44,268,765		37,884,460	
		<u>216,749,085</u>		<u>235,777,201</u>	
Creditors: amounts falling due within one year	15	(61,459,369)		(51,309,519)	
Net current assets			<u>155,289,716</u>		<u>184,467,682</u>
Total assets less current liabilities			<u>160,629,474</u>		<u>188,329,672</u>
Deferred taxation		(2,958)		-	
			<u>(2,958)</u>		<u>-</u>
Net assets			<u>160,626,516</u>		<u>188,329,672</u>
Members' other interests					
Other reserves classified as equity	22		<u>160,626,516</u>		<u>188,329,672</u>
Total members' interests					
Amounts due from members (included in debtors)	14		(42,697,383)		(51,567,712)
Members' other interests	22		<u>160,626,516</u>		<u>188,329,672</u>
			<u>117,929,133</u>		<u>136,761,960</u>

Consolidated Statement of Financial Position (continued)
as at 31 March 2023

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:


.....

A Bettridge
Designated member

Date: 21/11/23

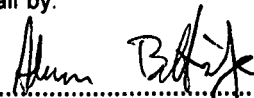
The notes on pages 20 to 43 form part of these financial statements.

LLP Statement of Financial Position
as at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	11		796,938		-
Tangible assets	12		4,107,965		3,641,329
Investments	13		110,002		110,002
			<u>5,014,905</u>		<u>3,751,331</u>
Current assets					
Debtors: amounts falling due after more than one year	14	16,231,397		50,850,946	
Debtors	14	139,961,805		129,128,185	
Cash and cash equivalents	16	33,054,054		32,283,971	
			<u>189,247,256</u>	<u>212,263,102</u>	
Creditors: amounts falling due within one year	15	(43,524,120)		(40,963,946)	
Net current assets			<u>145,723,136</u>		<u>171,299,156</u>
Net assets attributable to members			<u>150,738,041</u>		<u>175,050,487</u>
Members' other interests					
Other reserves classified as equity	22		<u>150,738,041</u>		<u>175,050,487</u>
Total members' interests are represented by:					
Amounts due from members (included in debtors)	14		(49,013,323)		(52,082,180)
Members' other interests	22		<u>150,738,042</u>		<u>175,050,487</u>
Total members' interests			<u>101,724,719</u>		<u>122,968,307</u>

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The profit after tax of the parent LLP for the year was £101,996,481 (2022 - £172,733,404).

The financial statements were approved and authorised for issue by the members and were signed on their behalf by:


.....

A Bettridge
Designated member

Date: 21/11/23

The notes on pages 20 to 43 form part of these financial statements.

**Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2023**

	Members' other equity interests	Total equity
	£	£
At 1 April 2022	188,329,672	188,329,672
Profit for year available for discretionary division among members	110,972,629	110,972,629
Adjustment related to 2022 disposal of a business stream	51,699,024	51,699,024
Allocated profit in the year	(190,374,809)	(190,374,809)
At 31 March 2023	160,626,516	160,626,516

**Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2022**

	Members' other equity interests	Total equity
	£	£
At 1 April 2021	90,778,664	90,778,664
Profit for year available for discretionary division among members	185,100,262	185,100,262
Allocated profit in the year	(88,461,610)	(88,461,610)
Contributions by and distributions to members		
Currency translation differences in relation to business acquisition	38,815	38,815
Members interests in Baringa Partners International LLP	873,541	873,541
At 31 March 2022	188,329,672	188,329,672

The notes on pages 20 to 43 form part of these financial statements.

**LLP Statement of Changes in Equity
for the Year Ended 31 March 2023**

	Members' other equity interests	Total equity
	£	£
At 1 April 2022	175,050,487	175,050,487
Profit for year for discretionary division among members	101,996,481	101,996,481
Adjustment related to 2022 disposal of a business stream	51,699,024	51,699,024
Allocated profit	(178,007,950)	(178,007,950)
At 31 March 2023	150,738,042	150,738,042

**LLP Statement of Changes in Equity
for the Year Ended 31 March 2022**

	Members' other equity interests	Total equity
	£	£
At 1 April 2021	88,046,658	88,046,658
Profit for year for discretionary division among members	172,733,404	172,733,404
Allocated profit	(85,729,575)	(85,729,575)
At 31 March 2022	175,050,487	175,050,487

The notes on pages 20 to 43 form part of these financial statements.

**Consolidated Statement of Cash Flows
for the Year Ended 31 March 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	110,972,629	185,100,262
Adjustments for:		
Depreciation of tangible assets	1,410,941	1,196,225
Profit on disposal of intangible assets	-	(74,446,446)
Remeasurement of contingent consideration	35,995,757	-
Interest charged to income statement	-	176
Interest credited to income statement	(345,160)	(1,774)
Taxation charged to the income statement	1,502,187	430,546
Foreign exchange differences	(332,760)	38,815
Increase in debtors	(17,398,289)	(19,057,391)
Increase in creditors	9,403,259	13,877,107
Corporation tax paid	(2,808,014)	(1,006,971)
Net cash generated from operating activities before transactions with members	138,400,550	106,130,549
Cash flows from investing activities		
Purchase of intangible fixed assets	(796,938)	(5,355,505)
Sale of intangible assets	-	30,160,371
Purchase of tangible fixed assets	(2,091,771)	(1,141,490)
Interest received	345,160	1,774
Cash paid on acquisition of subsidiaries net of cash acquired	-	(284,034)
Cash acquired on consolidation of Baringa Partners International LLP	-	165,183
Net cash (used in)/from investing activities	(2,543,549)	23,546,299
Cash flows from financing activities		
Disposal of redeemable preference shares	-	(30)
Interest paid	-	(176)
Payments to members	(129,805,456)	(98,787,485)
Net cash used in financing activities	(129,805,456)	(98,787,691)
Net increase in cash and cash equivalents	6,051,545	30,889,157

**Consolidated Statement of Cash Flows (continued)
for the Year Ended 31 March 2023**

	2023 £	2022 £
Cash and cash equivalents at beginning of year	37,884,460	6,995,303
Foreign exchange gains and losses	332,760	-
Cash and cash equivalents at the end of year	44,268,765	37,884,460
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	44,268,765	37,884,460
	44,268,765	37,884,460

The notes on pages 20 to 43 form part of these financial statements.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

1. General information

Baringa Partners LLP is a Limited Liability Partnership incorporated in England & Wales under the Companies Act 2006. The address of the registered office is given on the information page and the nature of the Group's operations and its principal activities are set out in the members' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

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

The LLP has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The treatment of members' share of profits reflect the element of variability in the allocation of profit to members that is only determined after the end of the financial period. Members' shares of profit are only fully allocated after taking account of adjustments to profit shares arising from the consideration of relative performance in the year.

Parent LLP disclosure exemptions

In preparing the separate financial statements of the parent LLP, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No statement of cash flows has been presented for the parent LLP;
- Disclosures in respect of the parent LLP's financial instruments have not been presented as equivalent disclosures have been provided in respect of the LLP as a whole; and
- No disclosures have been given for the aggregate remuneration of the key management personnel of the parent LLP as their remuneration is included in the totals for the LLP as a whole.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the LLP and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In addition, the results of Baringa Partners International LLP are consolidated by virtue of the group's ability to direct the financial and operating policies.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the members have considered the group's operations and principal risks and uncertainties. As a professional services firm providing a wide variety of consultancy services to a broad range of geographies and sectors, the group has demonstrated both a natural resilience and an ability to adapt in response to changes in global economic conditions.

As part of the going concern assessment a modelling exercise has been performed, which has been stress-tested. No plausible scenarios were identified that could cause the members to revise the going concern basis under which the financial statements are being prepared.

The group has a £15m overdraft facility, which was unused during the year and post year end. It was increased to £20m in October 2023.

Based on this assessment, the members have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and, consequently, continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.4 Turnover

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

Rendering of services

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

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

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP and the financial statements are rounded to the nearest pound.

Transactions and balances

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

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

Foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'administrative expenses'.

2.6 Interest income

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

2.7 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Pensions

Defined contribution pension plan

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

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

2.9 Operating leases

Rentals paid under operating leases are charged to consolidated statement of comprehensive income on a straight line basis over the lease term.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.10 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.11 Current and deferred taxation

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

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

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

- 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 they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences 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 tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.12 Amounts due to/(from) members; allocation of profits

Profit allocations

Profit allocations are recognised in the year in which they are declared and become a present obligation of the LLP. Unallocated profits are recognised in equity ('other reserves'). The statutory profit for the financial year available for discretionary division among members will be allocated subsequent to the approval of the financial statements. This will be allocated to individual members on the basis set out in the LLP partnership agreement. Any losses not allocated to members must be eliminated by future profits before profit allocations recommence.

Drawings

Drawings represent payments on account of profits which may be allocated to members. The amount of such drawings is set at the beginning of each financial year, taking into account anticipated cash needs of the LLP and may be reclaimed from members until profits have been allocated to them.

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of the identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the consolidated statement of comprehensive income over its useful economic life.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Over the lifetime of the lease or until the first break clause where applicable
Equipment and computers	- 20% - 100% per annum
Fixtures and fittings	- 20% - 50% per annum
Assets under construction	- Not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.15 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit (CGU) to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGUs) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.16 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.17 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by a £5m deposit with a 3.1% interest yield; the rest of the cash and cash equivalents was made up of cash in hand.

2.19 Creditors

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

2.20 Financial instruments

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

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

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

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

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

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

In preparing these financial statements, the members have had to make the following judgements:

- Determine whether there are indicators of impairment of the Group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Accrued income balances relating to contracts are based on management's best estimates of costs incurred and cost to completion.
- Provision for bad debts is made based on management's best estimate of the prospect of recovering the amount due which includes considering the credit status of the customer and its history in meeting commitments.

Other key sources of estimation uncertainty

- **Tangible assets (see note 12)**
Tangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- **Contingent consideration (see note 14)**
The Partnership has conducted a thorough analysis of the business income which could be generated including several scenarios and probabilities for the purposes of assessing the contingent sale consideration. The cost of capital used for the discount of the contingent sale consideration cashflows has been validated against comparable organisations and reflects the Partnership's debt to equity ratio. The projections of the contingent sale consideration that the sale of the business could generate are supported by expected numbers of licences for use of the business assets across clients operating in different sectors.

4. Turnover

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	287,714,510	189,848,331
Rest of Europe	48,516,259	47,128,258
Rest of the world	37,638,047	31,088,276
	<u>373,868,816</u>	<u>268,064,865</u>

Included within the results for the year ended 31 March 2023 are rechargeable expenses totalling £1,205,571 (2022 - £481,940). The costs incurred and revenue generated from clients in respect of these rechargeable expenses have been presented net within turnover.

Notes to the Financial Statements
for the Year Ended 31 March 2023

5. Other operating income

	2023	2022
	£	£
Profit on disposal	-	74,446,446
Remeasurement of contingent consideration receivable	(35,995,757)	-
Sundry income	408,145	-
	<u>(35,587,612)</u>	<u>74,446,446</u>

Profit on disposal in FY22 relates to the disposal of a business stream which included internally developed software. In FY22 the Members assessed the contingent consideration for the business to be an amount of USD69,017,075 over a period of 7 years. In FY23 the Members reassessed the contingent consideration for the business to be an amount of USD21,742,375. This results in an impairment in the year which is shown under other operating expense in the Consolidated Statement of Comprehensive Income.

6. Operating profit

The operating profit is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	1,662,277	1,196,225
Exchange differences	(636,466)	(916,324)
Operating lease rentals	<u>6,451,257</u>	<u>4,165,881</u>

7. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>171,500</u>	<u>131,295</u>
Fees payable to the Group's auditor and its associates in respect of:		
All services relating to taxation	453,750	556,450
All other services	<u>25,000</u>	<u>18,500</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

8. Employees

Staff costs were as follows:

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Wages and salaries	122,383,584	81,659,160	106,737,518	74,303,639
Social security costs	12,741,301	10,093,106	11,865,880	9,324,274
Cost of defined contribution scheme	5,864,218	4,074,806	5,245,848	4,009,462
	<u>140,989,103</u>	<u>95,827,072</u>	<u>123,849,246</u>	<u>87,637,375</u>

The average monthly number of persons (including members with contracts of employment) employed during the year was as follows:

	Group 2023 No.	Group 2022 No.	LLP 2023 No.	LLP 2022 No.
Administration	269	183	242	176
Consultants	1,272	906	1,096	825
	<u>1,541</u>	<u>1,089</u>	<u>1,338</u>	<u>1,001</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

9. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	353,996	1,025,594
Adjustments in respect of previous periods	(37,008)	-
	<u>316,988</u>	<u>1,025,594</u>
Double taxation relief	(221,770)	(504,054)
	<u>95,218</u>	<u>521,540</u>
Foreign tax		
Foreign tax on income for the year	1,446,788	466,366
Foreign tax in respect of prior periods	(59,304)	(549,312)
	<u>1,482,702</u>	<u>438,594</u>
Deferred tax		
Origination and reversal of timing differences	16,752	2,022
Adjustment in respect of prior periods	2,733	(5,618)
Effect of tax rate change on opening balance	-	(4,452)
	<u>19,485</u>	<u>(8,048)</u>
Taxation on profit on ordinary activities	<u>1,502,187</u>	<u>430,546</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	112,474,816	185,578,221
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	21,370,215	35,269,657
Effects of:		
Expenses not deductible for tax purposes	65,454	52,893
Adjustments to tax charge in respect of prior periods	(93,946)	-
Adjustments to tax charge in respect of prior periods - deferred tax	2,733	-
Profit not subject to corporation tax	(19,799,453)	(34,942,391)
Depreciation in excess of capital allowances	(3,096)	15,089
Foreign tax rate differences	(89,539)	-
Foreign tax credits	45,911	-
Foreign tax	-	(37,688)
Adjustments to foreign tax charge in respect of previous periods	-	76,953
Effects of changes in tax rates	3,908	(3,967)
Total tax charge for the year	1,502,187	430,546

Factors that may affect future tax charges

The standard rate of UK corporation tax is currently 19.00%. A rate increase to 25.00% comes into effect from 1 April 2023. As this increase in rate was not enacted at the reporting date, there is no impact on the calculation of tax at the reporting date.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

10. Information in relation to members

	2023 Number	2022 Number
The average number of members during the year was	<u>139</u>	<u>114</u>

Profits are shared among the members after the end of the year in accordance with profit sharing arrangements agreed subsequent to the reporting date. Members are required to make their own provision for taxation from their profit shares.

The share of profits that has been allocated to the member with the largest entitlement to profit in the year ending 31 March 2023 amounted to 7% of the profit of the financial year (2022 – 7%). In addition, the highest paid member is entitled to 8% of cash received in the period in relation to the profits arising on the disposal of a business stream which included internally developed software (refer to note 5).

Key management comprises the members, all of whom take distributions from the partnership and are not paid any salary or other benefits.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

11. Intangible assets**Group and LLP**

	Software development £	Goodwill £	Total £
Cost			
At 1 April 2022	-	1,822,825	1,822,825
Additions	796,938	-	796,938
At 31 March 2023	796,938	1,822,825	2,619,763
Amortisation			
At 1 April 2022	-	1,822,825	1,822,825
At 31 March 2023	-	1,822,825	1,822,825
Net book value			
At 31 March 2023	796,938	-	796,938
At 31 March 2022	-	-	-

In the prior year, the Partnership disposed of a business stream which included internally developed software which held a carrying value on the date of disposal totalling £8,264,570. The profit arising on the disposal is recognised within the statement of comprehensive income (note 5).

Notes to the Financial Statements
for the Year Ended 31 March 2023

12. Tangible fixed assets

Group

	L/Term Leasehold Property £	Equipment and computers £	Fixtures and fittings £	Total £
Cost				
At 1 April 2022	2,426,195	5,822,384	389,740	8,638,319
Additions	31,351	2,076,353	(15,933)	2,091,771
Transfers between classes	-	135,933	(135,933)	-
At 31 March 2023	<u>2,457,546</u>	<u>8,034,670</u>	<u>237,874</u>	<u>10,730,090</u>
Depreciation				
At 1 April 2022	502,074	3,957,997	316,258	4,776,329
Charge for the year	309,722	1,345,814	(244,595)	1,410,941
Transfers between classes	-	65,448	(65,448)	-
At 31 March 2023	<u>811,796</u>	<u>5,369,259</u>	<u>6,215</u>	<u>6,187,270</u>
Net book value				
At 31 March 2023	<u>1,645,750</u>	<u>2,665,411</u>	<u>231,659</u>	<u>4,542,820</u>
At 31 March 2022	<u>1,924,121</u>	<u>1,864,387</u>	<u>73,482</u>	<u>3,861,990</u>

Notes to the Financial Statements
for the Year Ended 31 March 2023

12. Tangible fixed assets (continued)

LLP

	Leasehold improvements £	Equipment and computers £	Fixtures and fittings £	Total £
Cost				
At 1 April 2022	2,426,195	5,643,891	253,807	8,323,893
Additions	31,351	1,771,810	(97,711)	1,705,450
At 31 March 2023	<u>2,457,546</u>	<u>7,415,701</u>	<u>156,096</u>	<u>10,029,343</u>
Depreciation				
At 1 April 2022	502,074	3,929,680	250,810	4,682,564
Charge for the year	309,722	1,177,984	(248,892)	1,238,814
At 31 March 2023	<u>811,796</u>	<u>5,107,664</u>	<u>1,918</u>	<u>5,921,378</u>
Net book value				
At 31 March 2023	<u>1,645,750</u>	<u>2,308,037</u>	<u>154,178</u>	<u>4,107,965</u>
At 31 March 2022	<u>1,924,121</u>	<u>1,714,211</u>	<u>2,997</u>	<u>3,641,329</u>

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

13. Fixed asset investments

LLP

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2022	110,002
At 31 March 2023	<u>110,002</u>

Subsidiary undertakings

The following were subsidiary undertakings of the LLP:

Name	Country of incorporation	Principal activity	Class of shares	Holding
Baringa Consulting Limited	England and Wales	Business and technology consultancy services	Ordinary	100%
Baringa Services Limited	England and Wales	Business and technology consultancy services	Ordinary	100%
Baringa Partners LLC*	USA	Business and technology - consultancy services		100%
Baringa Partners LP*	USA	Business and technology - consultancy services		100%
Baringa Ireland Limited	Republic of Ireland	Business and technology consultancy services	Ordinary	100%
Baringa Bulgaria EOOD*	Bulgaria	Business and technology consultancy services	Ordinary	100%

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

13. Fixed asset investments (continued)

Subsidiary undertakings (continued)

* Indirectly held via Baringa Consulting Limited.

Baringa Consulting Limited and Baringa Services Limited both share the same registered office as the LLP, which is shown on the information page.

Baringa Ireland Limited is registered in the Republic of Ireland and the address of the registered office is: Pavilion House, 31 Fitzwilliam Square, Dublin.

Baringa Partners LLC and Baringa Partners LP are registered in the United States of America and the registered office is:
Corporation Trust Centre, 1209 Orange Street, Wilmington, New Castle County, Delaware, 19801, United States of America.

Baringa Bulgaria EOOD is registered in Bulgaria and the address of the registered office is:
4th Floor, 20 Aksakov St., Sofia, Bulgaria.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

14. Debtors

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Due after more than one year				
Trade debtors and contingent consideration*	16,231,397	50,850,946	16,231,397	50,850,946
	<u>16,231,397</u>	<u>50,850,946</u>	<u>16,231,397</u>	<u>50,850,946</u>
	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Due within one year				
Trade debtors and contingent consideration*	59,470,258	51,917,716	38,708,196	37,563,474
Amounts owed by group undertakings	-	-	11,735,246	4,206,024
Other debtors	5,858,308	4,083,486	2,896,737	3,770,609
Prepayments and accrued income	48,222,974	39,456,354	37,608,303	31,505,898
Deferred taxation	-	16,527	-	-
Amounts due from members	42,697,383	51,567,712	49,013,323	52,082,180
	<u>156,248,923</u>	<u>147,041,795</u>	<u>139,961,805</u>	<u>129,128,185</u>

* Contingent consideration is following the group's disposal of a business stream which included internally developed software. Contingent consideration has been reassessed by management as at 31 March 2023 as recognised in note 5.

15. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Trade creditors	2,054,840	2,044,613	1,859,080	2,376,076
Corporation tax	746,594	-	-	1,588
Other taxation and social security	12,711,300	9,761,304	4,192,910	4,968,470
Other creditors	3,500,025	5,676,019	3,338,043	5,386,495
Accruals and deferred income	42,446,610	33,827,583	34,134,087	28,231,317
	<u>61,459,369</u>	<u>51,309,519</u>	<u>43,524,120</u>	<u>40,963,946</u>

As at 31 March 2023, Baringa Partners LLP had a £15m overdraft facility (2022 - £10m), secured against all the assets of the partnership. At 31 March 2023, £Nil (2022 - £Nil) had been drawn down against this facility. In October 2023 the facility was increased to £20m.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

16. Financial instruments

	Group 2023 £	Group 2022 £	LLP 2023 £	LLP 2022 £
Financial assets				
Cash at bank and in hand	44,268,765	37,884,460	33,054,054	32,283,971
Financial assets measured at amortised cost	<u>123,151,041</u>	<u>194,641,183</u>	<u>102,951,448</u>	<u>177,966,216</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>33,792,819</u>	<u>51,284,283</u>	<u>37,292,199</u>	<u>40,963,945</u>

Financial assets measured at amortised cost comprise trade and other debtors, amounts due from group company and members and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accrued expenses and redeemable preference shares.

17. Deferred taxation

Group

	2023 £
At beginning of year	16,527
Charged to profit or loss	(19,485)
At end of year	<u>(2,958)</u>
	Group 2023 £
Accelerated capital allowances	(2,958)
	Group 2022 £
	16,527
	<u>(2,958)</u>
	<u>16,527</u>

18. Pension commitments

The Group contributes to individual employee defined contribution pension schemes. The pension charge for the year amounted to £5,864,218 (2022 - £4,074,806). Outstanding contributions at the end of the year amounted to £632,951 (2022 - £763,667).

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

19. Commitments under operating leases

At 31 March 2023 the Group and the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	LLP 2023 £	LLP 2022 £
Not later than 1 year	5,398,473	3,632,006
Later than 1 year and not later than 5 years	13,677,548	14,200,572
Later than 5 years	941,598	3,766,392
	<u>20,017,619</u>	<u>21,598,970</u>

20. Related party transactions

The LLP has taken advantage of the exemption available under paragraph 33.1A of the Financial Reporting Standard 102 not to disclose transactions with other wholly owned members of the group.

Management are satisfied that intercompany debtor and creditor balances meet the conditions to be shown as net in the financial statements. As such intercompany debtor and creditor balances within the group are shown net as the group allows these to be settled net across group companies.

21. Post balance sheet events

There has been no significant events affecting the LLP and the Group since the year end.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

22. Reconciliation of members' interests (Group)

	EQUITY Members' other interests	DEBT Loans and other debts due to members	Total members' interests
	Other reserves		Total
	£	£	£
Amounts due from members		(51,567,712)	
Balance at 31 March 2022	188,329,672	(51,567,712)	136,761,960
Profit for the year available for discretionary division among members	110,972,629	-	110,972,629
Members' interests after profit for the year	299,302,301	(51,567,712)	247,734,589
Other division of profits	(190,374,809)	190,374,809	-
Adjustment related to 2022 disposal of a business stream	51,699,024	-	51,699,024
Adjustment related to 2022 disposal of a business stream	-	(51,699,024)	(51,699,024)
Drawings	-	(129,805,456)	(129,805,456)
Amounts due from members		(42,697,383)	
Balance at 31 March 2023	160,626,516	(42,697,383)	117,929,133

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

22. Reconciliation of members' interests (LLP)

	EQUITY	DEBT	Total members'
	Members' other	Loans and other	interests
	interests	debts due to	
	Other reserves	members	Total
	£	£	£
Amounts due from members		(52,082,180)	
Balance at 31 March 2022	175,050,487	(52,082,180)	122,968,307
Profit for the year available for discretionary division among members	101,996,481	-	101,996,481
Members' interests after profit for the year	277,046,968	(52,082,180)	224,964,788
Other division of profits	(178,007,950)	178,007,950	-
Adjustment related to 2022 disposal of a business stream	51,699,024	-	51,699,024
Adjustment related to 2022 disposal of a business stream	-	(51,699,024)	(51,699,024)
Drawings	-	(123,240,069)	(123,240,069)
Amounts due from members		(49,013,323)	
Balance at 31 March 2023	150,738,042	(49,013,323)	101,724,719

The LLP agreement stipulates that the amounts due to members shall stand as an unsecured sum due to the members upon winding-up. These amounts rank pari passu with ordinary creditors.

**Notes to the Financial Statements
for the Year Ended 31 March 2023**

23. Analysis of Net Debt (Group)

	At 1 April 2022 £	Arising from cash flows £	At 31 March 2023 £
Cash at bank and in hand	37,884,460	6,384,305	44,268,765
Net debt (before members' debt)	<u>37,884,460</u>	<u>6,384,305</u>	<u>44,268,765</u>
Net debt	<u><u>37,884,460</u></u>	<u><u>6,384,305</u></u>	<u><u>44,268,765</u></u>