



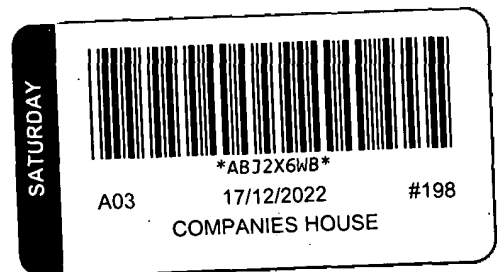
## Baringa Partners LLP

Members' Report and Financial Statements

Year Ended

31 March 2022

Company Number OC303471





## **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.

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Information

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**Designated Members**

A Bettridge  
A Gaskins  
I Patel

**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 2022**

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The members present their annual report together with the audited financial statements of Baringa Partners LLP (the "Group") for the year ended 31 March 2022.

**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.

**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.

**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 thrilled to have achieved **B Corp™** status, 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, joining a growing group of companies reinventing business by pursuing purpose as well as profit. Being a B Corp is proof 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 now written into our Partnership Agreement, ensuring we continue making life better for our clients, people, the communities in which we live and work, and the planet.

The year ending 31 March 2022 marked a return to more familiar ways of working after nearly two years of recurring lockdowns around the world. In **financial terms**, we grew turnover to £268m, an increase of 33% over last year. We increased earnings by 52% and grew our team by 34% to 1,089 at the end of the year. The Partnership also sold a business stream to a third party (note 5).

**Members' Report (continued)  
for the Year Ended 31 March 2022**

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**Business review (continued)**

**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**. 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 have received 4 silver and 11 bronze medals overall - 3 medals more than last year.

**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. Our values resonate, especially with Gen-Z. As we grow our brand reputation, we're attracting top talent and senior expertise.

Putting people first also means putting **diversity 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.

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.

**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 upstream oil and gas, 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 see the potential of their business. We shape and build the Financial Services firms of the future.

Our **Government** 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 Covid Vaccine Supply Chain, Health Measures at the Border and Governance of Net-Zero targets.

Our **Products & Services** sector, which includes telco and media, technology, consumer products, retail, pharma 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, accelerating and de-risking their biggest transformation programmes, and building new capabilities in their businesses.

**Members' Report (continued)  
for the Year Ended 31 March 2022**

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**Business review (continued)**

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

We're continuing our long-term partnership with **BlackRock** to set the standard for modelling the impacts of climate change and the transition to a low carbon economy on financial assets for investors, banks and other clients.

**Refreshing 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. We've **refreshed our brand** with a new tagline - Putting people first. Creating impact that lasts. Our refreshed brand helps us to say who we are and what we stand for. It stems directly from our strategy and helps us to deliver it.

**Reducing our environmental impact**

In line with our SBTi commitment, and our B Corp™ certification, we're committed to reducing our environmental impact. We'll be net-zero aligned by 2030, reducing our emissions in line with the latest climate science and a 1.5 degree scenario. Reaching this goal impacts our entire organisation and our daily decisions. We've mapped our emissions, found opportunities for improvements and are enabling our people to make the right choices. Reducing consumption is our priority; anything we cannot meaningfully reduce, we offset every year, prioritising carbon removal.

**The year ahead**

Looking to the year ahead, we're excited by the opportunities we see, although we recognise the emerging 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.

**Streamlined Energy & Carbon Reporting (SECR)**

Our emissions are reported for the third year under SECR and therefore we will be monitoring any changes in the coming financial period and compare against FY20 and FY21.

We have followed the 2021-2022 UK Government environmental reporting guidance as well as ISO14064-3. We have also used the GHG Standard and have reported on relevant categories. We have also had our numbers externally verified to ensure accuracy pursuant to ISO14064-3.

This framework has been produced to support the ambition to track our Scope 1, 2 & 3 GHG emissions at a total and per FTE level from FY20.

We have used 2021 UK Government's Conversion Factors for Company Reporting, as well as Association of Issuing Bodies 2021 (AIB) where UK Government's Conversion Factors are not available.

**Members' Report (continued)  
for the Year Ended 31 March 2022**

**Streamlined Energy & Carbon Reporting (SECR) (continued)**

GHG emissions data for year 1st April 2021 to 31st March 2022, as well as our base year, FY20 are below:

	FY22		FY20	
	tCO2e	tCO2e/FTE	tCO2e	tCO2e/FTE
Scope 1	61.73	0.1	<i>Nil</i>	<i>Nil</i>
Scope 2 (Market based)	75.95	0.1	40.3	0.06
Scope 3	1,447.19	1.4	1,929.4	2.78
<b>Total gross emissions</b>	<b>1,584.87</b>	<b>1.5</b>	<b>1,969.7</b>	<b>2.84</b>
Certifies emissions offset	1,585	1.5		
<b>Total net emissions</b>	<b>0</b>	<b>0</b>		

We have a fixed base year of FY20. Baringa chose this year as it was the first year for which we considered that we had a reliable data set with the capabilities to undertake a calculation and it was typical in respect of our operations. In FY22 we have expanded our calculation capability to include all of our international offices and more Scope 3 categories - using estimation methodologies where appropriate.

Energy consumption for year 1st April 2021 to 31st March 2022, as well as our base year, FY20 are below:

	FY22	FY20
	kWh	kWh
Energy Consumption (Gas and purchased electricity)	987,000	158,641

In FY22 we have expanded our calculation capability to include all of our international offices, whereas in FY20 we only calculated the London headquarters.

**Targets**

Our overarching emissions reduction target is to reduce our gross, global scope 1,2 & 3 emissions in tonnes of CO2e per tonne by 15% within the next 2 financial years whilst understanding that due to the Covid 19 pandemic, we have seen a significant change in emissions in FY22 vs FY21. FY20 has been used to create a strategy and roadmap for our current approach to reducing our emissions in the near-term. In addition, we have committed to set net zero 2030 targets in line with the Science Based Targets Initiative (SBTi) as part of the UNFCCC Race to Net-Zero.

For all carbon emissions which cannot be meaningfully avoided, Baringa have and will continue offset using a range of gold standard schemes – prioritising carbon removal projects where possible.

**Intensity Measurement**

We have chosen the metric gross global scope 1, 2 and 3 emissions in tonnes of CO2e per FTE as this is an appropriate and common business metric for our industry sector.

**Members' Report (continued)  
for the Year Ended 31 March 2022**

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**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.

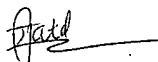
**Disclosure of information to auditor**

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.



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**I Patel**  
Designated member

Date:

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

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**Opinion**

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the LLP's affairs as at 31 March 2022 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") and its subsidiaries ("the group") for the year ended 31 March 2022 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**

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 group or 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)**

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**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.

**Matters on which we are required to report by exception**

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 by the LLP, or returns adequate for our audit have not been received from branches not visited by us; or
- the LLP 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.

**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.

**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.

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

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

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

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:

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to revenue recognition, posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

Audit procedures to address these risks are listed below:

- We understood how the Group is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it is considered there was a susceptibility of fraud. Our considerations included enquiries with management, and testing of journal entries.
- We also considered potential fraud drivers, including: financial or other pressures, opportunity, and personal or corporate motivations. We considered the programmes and controls that the Group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing key areas of estimation, uncertainty or judgement, for example valuation of accrued income.
- We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members 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.

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

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**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:

*Tim Neathercoat*

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

Date: 13 December 2022

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 2022**

	Note	2022 £	2021 £
Turnover	4	268,064,865	201,876,528
Cost of sales		(76,339,489)	(59,951,941)
<b>Gross profit</b>		<b>191,725,376</b>	<b>141,924,587</b>
Administrative expenses		(80,642,612)	(53,001,372)
Other operating income	5	74,446,446	11,272
<b>Operating profit</b>	6	<b>185,529,210</b>	<b>88,934,487</b>
Interest receivable and similar income		1,774	22,197
Interest payable and similar expenses		(176)	(62,839)
<b>Profit before tax</b>		<b>185,530,808</b>	<b>88,893,845</b>
Tax on profit	9	(430,546)	(432,235)
<b>Profit before members' remuneration and profit shares available for discretionary division among members</b>		<b>185,100,262</b>	<b>88,461,610</b>
<b>Total comprehensive income for the year</b>		<b>185,100,262</b>	<b>88,461,610</b>

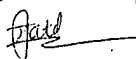
All amounts relate to continuing operations, with the exception of the other operating income (see note 5).

The notes on pages 18 to 42 form part of these financial statements.

**Consolidated Statement of Financial Position  
as at 31 March 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Intangible assets	11	-	-	2,909,065	
Tangible assets	12	3,861,990		3,813,403	
		<u>3,861,990</u>		<u>6,722,468</u>	
<b>Current assets</b>					
Debtors: amounts falling due after more than one year	14	50,850,946	-		
Debtors: amounts falling due within one year	14	147,041,795	114,335,972		
Cash and cash equivalents	17	37,884,460	6,995,303		
		<u>235,777,201</u>	<u>121,331,275</u>		
Creditors: amounts falling due within one year	15	(51,309,518)	(37,275,049)		
<b>Net current assets</b>		<u>184,467,683</u>		<u>84,056,226</u>	
<b>Total assets less current liabilities</b>		<u>188,329,673</u>		<u>90,778,694</u>	
Creditors: amounts falling due after more than one year	16	-		(30)	
<b>Net assets</b>		<u>188,329,673</u>		<u>90,778,664</u>	
<b>Members' other interests</b>					
Other reserves classified as equity	23	188,329,673		90,778,664	
<b>Total members' interests</b>		<u>188,329,673</u>		<u>90,778,664</u>	
Amounts due from members (included in debtors)	14	(51,567,712)		(41,241,837)	
Members' other interests	23	188,329,673		90,778,664	
		<u>136,761,961</u>		<u>49,536,827</u>	

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



.....  
**I Patel**  
Designated member

Date:

The notes on pages 18 to 42 form part of these financial statements.

**LLP Statement of Financial Position  
as at 31 March 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Intangible assets	11		-		2,909,065
Tangible assets	12		3,641,329		3,797,737
Investments	13		110,002		110,002
			<u>3,751,331</u>		<u>6,816,804</u>
<b>Current assets</b>					
Debtors: amounts falling due after more than one year	14	50,850,946		-	
Debtors	14	129,128,185		109,461,764	
Cash and cash equivalents	17	32,283,971		4,727,163	
			<u>212,263,102</u>	<u>114,188,927</u>	
Creditors: amounts falling due within one year	15	(40,963,946)		(32,959,073)	
<b>Net current assets</b>			<u>171,299,156</u>		<u>81,229,854</u>
<b>Net assets attributable to members</b>			<u>175,050,487</u>		<u>88,046,658</u>
<b>Members' other interests</b>					
Other reserves classified as equity	23		<u>175,050,487</u>		<u>88,046,658</u>
<b>Total members' interests are represented by:</b>					
Amounts due from members (included in debtors)	14		(52,082,180)		(40,877,602)
Members' other interests	23		<u>175,050,487</u>		<u>88,046,658</u>
<b>Total members' interests</b>			<u>122,968,307</u>		<u>47,169,056</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 £172,733,404 (2021 - £85,729,604).

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



.....  
**I Patel**  
Designated member

Date:

The notes on pages 18 to 42 form part of these financial statements.

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

	<b>Members' other equity interests</b>	<b>Total equity</b>
	£	£
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)
<b>Contributions by and distributions to members</b>		
Currency translation differences in relation to business acquisition (note 18)	38,815	38,815
Members interests in Baringa Partners International LLP	873,541	873,541
<b>At 31 March 2022</b>	<b>188,329,672</b>	<b>188,329,672</b>

**Consolidated Statement of Changes in Equity  
for the Year Ended 31 March 2021**

	<b>Members' other equity interests</b>	<b>Total equity</b>
	£	£
At 1 April 2020	66,974,369	66,974,369
Profit for year available for discretionary division among members	88,461,610	88,461,610
Allocated profit in the year	(64,657,315)	(64,657,315)
<b>At 31 March 2021</b>	<b>90,778,664</b>	<b>90,778,664</b>

The financial information related to Baringa Partners International LLP, whose members are also members of Baringa Partners LLP, has been included in the consolidated statements of Baringa Partners LLP for the first time in FY22. Due to the Baringa Partners International LLP's turnover and results not being material for the purposes of Baringa Partners LLP consolidation, there has been no restatement of Baringa Partners LLP's FY21 financial information and Baringa Partners International LLP's members interests have been included in the consolidated statement of changes in equity as 'members interests in Baringa Partners International LLP'.

The notes on pages 18 to 42 form part of these financial statements.

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

	<b>Members' other equity interests</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>
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)
<b>At 31 March 2022</b>	<b>175,050,487</b>	<b>175,050,487</b>

**LLP Statement of Changes in Equity  
for the Year Ended 31 March 2021**

	<b>Members' other equity interests</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>
At 1 April 2020	65,154,494	65,154,494
Profit for year for discretionary division among members	85,729,604	85,729,604
Allocated profit	(62,837,440)	(62,837,440)
<b>At 31 March 2021</b>	<b>88,046,658</b>	<b>88,046,658</b>

The notes on pages 18 to 42 form part of these financial statements.

**Consolidated Statement of Cash Flows  
for the Year Ended 31 March 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	185,100,262	88,461,610
<b>Adjustments for:</b>		
Depreciation of tangible assets	1,196,225	908,290
Interest charged to income statement	176	62,839
Interest credited to income statement	(1,774)	(22,197)
Taxation charged to the income statement	430,546	432,235
Profit on disposal of intangible assets	(74,446,446)	-
Foreign exchange differences	38,815	-
Increase in debtors	(19,057,391)	(12,924,760)
Increase in creditors	13,877,107	8,940,796
Corporation tax paid	(1,006,971)	(904,614)
<b>Net cash generated from operating activities before transactions with members</b>	<b>106,130,549</b>	<b>84,954,199</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(5,355,505)	(2,623,237)
Sale of intangible assets	30,160,371	-
Purchase of tangible fixed assets	(1,141,490)	(3,663,904)
Sale of tangible fixed assets	-	696,695
Interest received	1,774	22,197
Cash paid on acquisition of subsidiaries net of cash acquired	(284,034)	-
Cash acquired on consolidation of Baringa Partners International LLP	165,183	-
<b>Net cash from investing activities</b>	<b>23,546,299</b>	<b>(5,568,249)</b>
<b>Cash flows from financing activities</b>		
Disposal of redeemable preference shares	(30)	-
Interest paid	(176)	(62,839)
Payments to members	(98,787,485)	(91,232,239)
<b>Net cash used in financing activities</b>	<b>(98,787,691)</b>	<b>(91,295,078)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>30,889,157</b>	<b>(11,909,128)</b>

**Consolidated Statement of Cash Flows (continued)**  
**for the Year Ended 31 March 2022**

	2022 £	2021 £
Cash and cash equivalents at beginning of year	6,995,303	18,904,431
<b>Cash and cash equivalents at the end of year</b>	<b>37,884,460</b>	<b>6,995,303</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	37,884,460	6,995,303
	<b>37,884,460</b>	<b>6,995,303</b>

The notes on pages 18 to 42 form part of these financial statements.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**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:

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**2. Accounting policies (continued)**

**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.

**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 £10m overdraft facility, the use of which has been negligible during the year and post year end. Based on the projection, the group is not expecting to use this facility during the next 12 months. Post year end the overdraft facility has now been renewed (see note 15).

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.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**2. Accounting policies (continued)**

**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.

**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 profit or loss 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.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**2. Accounting policies (continued)**

**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 profit or loss 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.

**2.10 Government grants**

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

**2.11 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.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**2. Accounting policies (continued)**

**2.12 Current and deferred taxation**

Tax is recognised in profit or loss 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.

**2.13 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. Accounting policies (continued)**

**2.14 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 2022**

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**2. Accounting policies (continued)**

**2.15 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 profit or loss 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 profit or loss.

**2.16 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.

**2.17 Investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**2. Accounting policies (continued)**

**2.18 Debtors**

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

**2.19 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.20 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.

**2.21 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 2022**

**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:

	2022	2021
	£	£
United Kingdom	<b>189,848,331</b>	163,666,154
Rest of Europe	<b>47,128,258</b>	22,273,867
Rest of the world	<b>31,088,276</b>	15,936,507
	<b><u>268,064,865</u></b>	<u>201,876,528</u>

Included within the results for the year ended 31 March 2022 are rechargeable expenses totalling £481,940 (2021 - £565,230). 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 2022**

**5. Other operating income**

	2022	2021
	£	£
Government grants receivable	-	11,272
Profit on disposal	<b>74,446,446</b>	-

Included in other operating income is government grants of £Nil (2021 - £11,272) that was received by the company in respect of the Jobs Growth Incentive Scheme in Singapore.

Profit on disposal relates to the disposal of a business stream which included internally developed software (see note 11). The sale consideration included fixed, deferred and contingent payments over a seven-year period. The initial sale consideration amounted to USD35,000,000. The Members have assessed the contingent consideration for the business to be an amount of USD69,017,075 over the next 7 years.

**6. Operating profit**

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	<b>1,196,225</b>	869,481
Exchange differences	<b>(916,324)</b>	910,419
Operating lease rentals	<b>4,165,881</b>	3,320,523

**7. Auditor's remuneration**

	2022	2021
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<b>131,295</b>	74,500

**Fees payable to the Group's auditor and its associates in respect of:**

All services relating to taxation	<b>556,450</b>	26,100
All other services	<b>18,500</b>	13,000

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**8. Employees**

Staff costs, including members' remuneration, were as follows:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>LLP 2022 £</b>	<b>LLP 2021 £</b>
Wages and salaries	81,659,160	66,314,193	74,303,639	63,123,763
Social security costs	10,093,106	8,618,761	9,324,274	8,435,303
Cost of defined contribution scheme	4,074,806	3,104,007	4,009,462	3,088,004
	<u>78,036,991</u>	<u>78,036,961</u>	<u>74,647,070</u>	<u>74,647,070</u>

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>	<b>LLP 2022 No.</b>	<b>LLP 2021 No.</b>
Administration	183	106	176	109
Consultants	906	707	825	687
	<u>1,089</u>	<u>813</u>	<u>1,001</u>	<u>796</u>

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**9. Taxation**

	2022	2021
	£	£
<b>Corporation tax</b>		
Current tax on profits for the year	1,025,594	520,334
Adjustments in respect of previous periods	-	(70,193)
	<u>1,025,594</u>	<u>450,141</u>
Double taxation relief	(504,054)	(542,482)
	<u>521,540</u>	<u>(92,341)</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	466,366	712,579
Foreign tax in respect of prior periods	(549,312)	(224,567)
	<u>438,594</u>	<u>395,671</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	2,022	32,616
Adjustment in respect of prior periods	(5,618)	3,948
Effect of tax rate change on opening balance	(4,452)	-
	<u>(8,048)</u>	<u>36,564</u>
<b>Taxation on profit on ordinary activities</b>	<u><u>430,546</u></u>	<u><u>432,235</u></u>

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**9. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>185,578,221</u>	<u>88,893,845</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<u>35,269,657</u>	16,889,831
<b>Effects of:</b>		
Expenses not deductible for tax purposes	52,893	140,737
Adjust closing deferred tax to average rate	-	3,948
Other adjustments	-	(456,948)
Profit not subject to corporation tax	<b>(34,942,391)</b>	(16,755,815)
Deferred tax not recognised	-	352,755
Depreciation in excess of capital allowances	15,089	-
Foreign tax	<b>(37,688)</b>	257,727
Adjustments to foreign tax charge in respect of previous periods	76,953	-
Effects of changes in tax rates	<b>(3,967)</b>	-
<b>Total tax charge for the year</b>	<u><u>430,546</u></u>	<u><u>432,235</u></u>

**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 2022**

**10. Information in relation to members**

	2022 Number	2021 Number
The average number of members during the year was	<u>114</u>	<u>98</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 2022 was £7,744,116 (2021 - £6,810,368). 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.

**11. Intangible assets****Group and LLP**

	Software development £	Goodwill £	Total £
<b>Cost</b>			
At 1 April 2021	2,909,065	1,822,825	4,731,890
Additions	5,355,505	-	5,355,505
Disposals	(8,264,570)	-	(8,264,570)
At 31 March 2022	<u>-</u>	<u>1,822,825</u>	<u>1,822,825</u>
<b>Amortisation</b>			
At 1 April 2021	-	1,822,825	1,822,825
At 31 March 2022	<u>-</u>	<u>1,822,825</u>	<u>1,822,825</u>
<b>Net book value</b>			
At 31 March 2022	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>2,909,065</u>	<u>-</u>	<u>2,909,065</u>

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**11. Intangible assets (continued)**

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 Income Statement (note 5).

**12. Tangible fixed assets****Group**

	L/Term Leasehold Property £	Equipment and computers £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2021	2,322,481	4,813,515	257,511	7,393,507
Additions	103,714	1,008,869	28,907	1,141,490
Acquisition of subsidiary	-	-	103,322	103,322
At 31 March 2022	<u>2,426,195</u>	<u>5,822,384</u>	<u>389,740</u>	<u>8,638,319</u>
<b>Depreciation</b>				
At 1 April 2021	205,022	3,123,681	251,401	3,580,104
Charge for the year	297,052	834,316	64,857	1,196,225
At 31 March 2022	<u>502,074</u>	<u>3,957,997</u>	<u>316,258</u>	<u>4,776,329</u>
<b>Net book value</b>				
At 31 March 2022	<u>1,924,121</u>	<u>1,864,387</u>	<u>73,482</u>	<u>3,861,990</u>
At 31 March 2021	<u>2,117,459</u>	<u>1,689,834</u>	<u>6,110</u>	<u>3,813,403</u>

Notes to the Financial Statements  
for the Year Ended 31 March 2022

12. Tangible fixed assets (continued)

LLP

	Leasehold improvements £	Equipment and computers £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2021	2,322,481	4,803,174	250,810	7,376,465
Additions	103,714	840,717	2,997	947,428
At 31 March 2022	<u>2,426,195</u>	<u>5,643,891</u>	<u>253,807</u>	<u>8,323,893</u>
<b>Depreciation</b>				
At 1 April 2021	205,022	3,122,896	250,810	3,578,728
Charge for the year	297,052	806,784	-	1,103,836
At 31 March 2022	<u>502,074</u>	<u>3,929,680</u>	<u>250,810</u>	<u>4,682,564</u>
<b>Net book value</b>				
At 31 March 2022	<u>1,924,121</u>	<u>1,714,211</u>	<u>2,997</u>	<u>3,641,329</u>
At 31 March 2021	<u>2,117,459</u>	<u>1,680,278</u>	<u>-</u>	<u>3,797,737</u>

Notes to the Financial Statements  
for the Year Ended 31 March 2022

13. Fixed asset investments

LLP

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 April 2021	2,427,276
Disposals	(2,317,274)
At 31 March 2022	<u>110,002</u>
At 1 April 2021	2,317,274
Impairment on disposals	(2,317,274)
At 31 March 2022	<u>-</u>
<b>Net book value</b>	
At 31 March 2022	<u><u>110,002</u></u>
At 31 March 2021	<u><u>110,002</u></u>

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**13. Fixed asset investments (continued)****Subsidiary undertakings**

The following were subsidiary undertakings of the LLP:

<b>Name</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
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%

\* 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 2022**

**14. Debtors**

	Group 2022 £	Group 2021 £	LLP 2022 £	LLP 2021 £
<b>Due after more than one year</b>				
Trade debtors and contingent consideration*	50,850,946	-	50,850,946	-
	<u>50,850,946</u>	<u>-</u>	<u>50,850,946</u>	<u>-</u>
	Group 2022 £	Group 2021 £	LLP 2022 £	LLP 2021 £
<b>Due within one year</b>				
Trade debtors and contingent consideration*	51,917,716	35,977,537	37,563,474	30,114,406
Amounts owed by group undertakings	-	-	4,206,024	6,360,781
Other debtors	4,083,486	2,294,734	3,770,609	1,902,443
Prepayments and accrued income	39,456,354	34,813,385	31,505,898	30,206,532
Deferred taxation	16,527	8,479	-	-
Amounts due from members	51,567,712	41,241,837	52,082,180	40,877,602
	<u>147,041,795</u>	<u>114,335,972</u>	<u>129,128,185</u>	<u>109,461,764</u>

\* Contingent consideration in receivables following the group's disposal of a business stream which included internally developed software.

**15. Creditors: Amounts falling due within one year**

	Group 2022 £	Group 2021 £	LLP 2022 £	LLP 2021 £
Trade creditors	2,044,613	929,688	2,376,076	892,574
Corporation tax	-	348,736	1,588	10
Other taxation and social security	9,761,304	6,836,208	4,968,470	5,772,914
Other creditors	5,676,018	4,116,879	5,386,495	3,254,770
Accruals and deferred income	33,827,583	25,043,538	28,231,317	23,038,805
	<u>51,309,518</u>	<u>37,275,049</u>	<u>40,963,946</u>	<u>32,959,073</u>

As at 31 March 2022, Baringa Partners LLP had a £10m overdraft facility (2021 - £10m), secured against all the assets of the partnership. At 31 March 2022, £Nil (2021 - £Nil) had been drawn down against this facility.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**16. Creditors: Amounts falling due after more than one year**

	<b>Group 2022</b>	<b>Group 2021</b>
	£	£
Redeemable preference shares	-	30

Redpoint Energy Limited, a subsidiary of Baringa Partners LLP has the right, at 1 November 2010 and on each subsequent anniversary of that date to redeem all its the redeemable ordinary shares then outstanding at par.

**17. Financial instruments**

	<b>Group 2022</b>	<b>Group 2021</b>	<b>LLP 2022</b>	<b>LLP 2021</b>
	£	£	£	£
<b>Financial assets</b>				
Cash at bank and in hand	<b>37,884,460</b>	6,995,303	<b>32,283,971</b>	4,727,163
Financial assets measured at amortised cost	<b>194,641,183</b>	111,963,170	<b>177,966,216</b>	107,121,977
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	<b>51,284,283</b>	37,275,079	<b>40,963,945</b>	32,959,073

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 creditor, accrued expenses and redeemable preference shares.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**18. Business combinations**

On 2 June 2021, Baringa Consulting Limited acquired the entire share capital of Baringa Bulgaria EOOD.

**Recognised amounts of identifiable assets acquired and liabilities assumed**

	<b>Book value</b>	<b>Fair value</b>
	£	£
<b>Fixed assets</b>		
Tangible	103,322	103,322
	<u>103,322</u>	<u>103,322</u>
<b>Current assets</b>		
Debtors	313,150	313,150
Cash at bank and in hand	76,382	76,382
	<u>492,854</u>	<u>492,854</u>
<b>Total assets</b>		
<b>Creditors</b>		
Due within one year	(132,438)	(132,438)
	<u>360,416</u>	<u>360,416</u>
<b>Total identifiable net assets</b>		
Goodwill		-
		<u>360,416</u>
<b>Total purchase consideration</b>		
		<u>360,416</u>
<b>Consideration</b>		
		£
Cash		<u>360,416</u>
<b>Cash outflow on acquisition</b>		
		£
Purchase consideration settled in cash, as above		360,416
		<u>360,416</u>
Less: Cash and cash equivalents acquired		(76,382)
		<u>284,034</u>
<b>Net cash outflow on acquisition</b>		

From the date of acquisition to the reporting date, revenue of £2,871,674 and profit of £157,675 was included in the consolidated statement of comprehensive income.

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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**19. Pension commitments**

The Group contributes to individual employee defined contribution pension schemes. The pension charge for the year amounted to £4,074,806 (2021 - £3,104,007). Outstanding contributions at the end of the year amounted to £761,736 (2021 - £647,138).

**20. Commitments under operating leases**

At 31 March 2022 the Group and the LLP had future minimum lease payments under non-cancellable operating leases as follows:

	LLP 2022 £	LLP 2021 £
Not later than 1 year	3,632,006	3,262,685
Later than 1 year and not later than 5 years	14,200,572	11,933,330
Later than 5 years	3,766,392	6,591,186
	<u>21,598,970</u>	<u>21,787,201</u>

**21. 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.

At the year end, £Nil was due from Baringa Corporate Limited to the LLP (2021 - £25,553).

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.

**22. 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 2022**

**23. 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		(41,241,837)	
<b>Balance at 31 March 2021</b>	<b>90,778,664</b>	<b>(41,241,837)</b>	<b>49,536,827</b>
Profit for the year available for discretionary division among members	185,100,263	-	185,100,263
<b>Members' interests after profit for the year</b>	<b>275,878,927</b>	<b>(41,241,837)</b>	<b>234,637,090</b>
Other division of profits	(88,461,610)	88,461,610	-
Movement in reserves	912,356	-	912,356
Drawings	-	(98,787,485)	(98,787,485)
Amounts due from members		(51,567,712)	
<b>Balance at 31 March 2022</b>	<b>188,329,673</b>	<b>(51,567,712)</b>	<b>136,761,961</b>

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

**23. Reconciliation of members' interests (LLP)**

	EQUITY Members' other interests	DEBT Loans and other debts due to members	Total members' interests
	Other reserves £		Total £
Amounts due from members		(40,877,602)	
<b>Balance at 31 March 2021</b>	<b>88,046,658</b>	<b>(40,877,602)</b>	<b>47,169,056</b>
Profit for the year available for discretionary division among members	172,733,404	-	172,733,404
<b>Members' interests after profit for the year</b>	<b>260,780,062</b>	<b>(40,877,602)</b>	<b>219,902,460</b>
Other division of profits	(85,729,575)	85,729,575	-
Drawings	-	(96,934,153)	(96,934,153)
Amounts due from members		(52,082,180)	
<b>Balance at 31 March 2022</b>	<b>175,050,487</b>	<b>(52,082,180)</b>	<b>122,968,307</b>

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 2022**

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**24. Analysis of Net Debt (Group)**

	At 1 April 2021 £	Arising from cash flows £	At 31 March 2022 £
Cash at bank and in hand	6,995,303	30,889,157	37,884,460
Borrowings due within 1 year	(647,138)	(114,598)	(761,736)
Borrowings due after 1 year	(30)	30	-
Net debt (before members' debt)	<u>6,348,135</u>	<u>30,774,589</u>	<u>37,122,724</u>
<i>Loans and other debts due to members</i>			
	<u><u>6,348,135</u></u>	<u><u>30,774,589</u></u>	<u><u>37,122,724</u></u>