

Company registration number 04144405 (England and Wales)

**THE CONSULTING CONSORTIUM LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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# THE CONSULTING CONSORTIUM LIMITED

## COMPANY INFORMATION

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<b>Director</b>	J L Smith
<b>Company number</b>	04144405
<b>Registered office</b>	6th Floor 10 Lower Thames Street London EC3R 6EN
<b>Auditor</b>	BHP LLP New Chartford House Centurion Way Cleckheaton Bradford West Yorkshire BD19 3QB

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# THE CONSULTING CONSORTIUM LIMITED

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# THE CONSULTING CONSORTIUM LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 JUNE 2023**

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The director presents the strategic report for the year ended 30 June 2023.

### **Review of the business**

Remote working has continued successfully with the impact on operations being minimal. The company continues to evolve its operating model and strives for the highest standard of offering together with the best pricing, efficiency, and margin optimisation across the three divisions, whether that be utilising employed or contracted staff. With a large project coming to its planned conclusion the company will focus on being nimble and adaptable to new opportunities that arise.

### **Relationships**

The company has continued to maintain impactful collaboration with our key stakeholders, demonstrated by new client wins and repeat business from existing clients, and the continued collaboration with our technology partners.

### **Principal risks and uncertainties**

The directors regularly monitor risks and issues arising and their impact on staff and client well-being as well as financially on the business and continue to manage the business conservatively to maintain the long-term stability of the company.

### **Financial risk management**

The business operates robust risk management and governance frameworks both operationally and at board level, reflected in its external quality accreditations (ISO 9001, 27001). Details of the company's financial instruments and its policies with regard to financial risk management are given in note 1.8 to the financial statements.

### **Key performance indicators**

The business saw year on year revenue increase of 44% (2022: 33% decline), driven by a significant major remediation project. Gross profit increased year on year by 5%, and year on year EBITDA increased to 14.7% (2022: EBITDA 1%) driven by investment in the team.

On behalf of the board

Joanne Smith  
Joanne Smith/Dec 21, 2023/17:45/G40.....

J L Smith  
Director

Date: Dec 21, 2023.....

# THE CONSULTING CONSORTIUM LIMITED

## DIRECTOR'S REPORT

### FOR THE YEAR ENDED 30 JUNE 2023

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The director presents her annual report and financial statements for the year ended 30 June 2023.

#### Principal activities

The principal activities of the company are the provision of both deep subject matter expertise and technology enabled services to regulated financial services businesses. The company is predicated on the core belief that a healthy culture is the key connection between strong compliance and commercial success in financial services. The three main pillars of the business are named Managed Services, Advisory and Specialist Resourcing.

#### Results and dividends

As shown in the company's statement of comprehensive income on page 7, the company's turnover was £14,322,787 (2022: £9,976,142) and profit before tax was £1,586,780 (2022: loss of £1,044,705). The balance sheet on page 8 shows that the company's net asset position at the year-end has increased from £2,140,900 to £3,359,363, mainly due to the profit in the year.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

#### Director

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

J L Smith

#### Future developments

The company's strategy in coming years is to be less dependent on major projects or one particular division of the business. The target is to have growth but from a more diverse revenue mix.

#### Auditor

In accordance with the company's articles, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put at a General Meeting.

#### Statement of disclosure to auditor

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

#### Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the fair review of the business which forms part of the strategic report.

The Directors have reviewed the financial position of the company, including uncertainties arising from the current difficult economic environment and the potential impact of this trading and financing. The Directors have prepared forecasts and cashflows for a three year period which shows the company can pay its' debts as they fall due over this period. Thus, they continue to adopt the going concern basis in preparing the financial statements.

#### Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

# THE CONSULTING CONSORTIUM LIMITED

## DIRECTOR'S REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2023**

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On behalf of the board

Joanne Smith  
Joanne Smith, Dec 21, 2023, 17:45:0411.....

J L Smith  
Director

Date: Dec 21, 2023.....

# **THE CONSULTING CONSORTIUM LIMITED**

## **DIRECTOR'S RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 30 JUNE 2023***

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

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless she is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The director is responsible for the maintenance and integrity of the company website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# THE CONSULTING CONSORTIUM LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE CONSULTING CONSORTIUM LIMITED

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#### Opinion

We have audited the financial statements of The Consulting Consortium Limited (the 'company') for the year ended 30 June 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### 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 are independent of the company 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 company'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 director with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

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

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



# THE CONSULTING CONSORTIUM LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE CONSULTING CONSORTIUM LIMITED

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of director**

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the company'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 director either intends to liquidate the company or to cease operations, or has 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.

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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, 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 or intentional misrepresentations, or through collusion.

We focused on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of company minutes and legal expenses. There are inherent limitations in the audit procedures described 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 would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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.

# THE CONSULTING CONSORTIUM LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF THE CONSULTING CONSORTIUM LIMITED

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#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Jamie Williams*  
Jamie Williams (Dec 21, 2023 15:11 GMT)

**Jamie Williams**  
**Senior Statutory Auditor**  
**For and on behalf of BHP LLP**

Date: Dec 21, 2023

**Chartered Accountants**  
**Statutory Auditor**

New Chartford House  
Centurion Way  
Cleckheaton  
Bradford  
West Yorkshire  
BD19 3QB

# THE CONSULTING CONSORTIUM LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

**FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	2023 £	2022 £
Turnover	3	14,322,787	9,976,142
Cost of sales		(9,537,053)	(7,119,350)
<b>Gross profit</b>		<b>4,785,734</b>	<b>2,856,792</b>
Administrative expenses		(3,196,921)	(3,866,134)
<b>Operating profit/(loss)</b>	4	<b>1,588,813</b>	<b>(1,009,342)</b>
Interest receivable and similar income	7	153,579	91,243
Interest payable and similar expenses	8	(155,612)	(126,606)
<b>Profit/(loss) before taxation</b>		<b>1,586,780</b>	<b>(1,044,705)</b>
Tax on profit/(loss)	9	(368,317)	236,896
<b>Profit/(loss) for the financial year</b>		<b>1,218,463</b>	<b>(807,809)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

# THE CONSULTING CONSORTIUM LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Intangible assets	10		222,477		678,572
Tangible assets	11		38,556		34,138
			<u>261,033</u>		<u>712,710</u>
<b>Current assets</b>					
Debtors falling due after more than one year	13	3,467,715		1,861,835	
Debtors falling due within one year	13	2,577,063		3,252,471	
Cash at bank and in hand		596,826		553,419	
		<u>6,641,604</u>		<u>5,667,725</u>	
<b>Creditors: amounts falling due within one year</b>	14	(2,660,399)		(2,629,304)	
<b>Net current assets</b>			<u>3,981,205</u>		<u>3,038,421</u>
<b>Total assets less current liabilities</b>			<u>4,242,238</u>		<u>3,751,131</u>
<b>Creditors: amounts falling due after more than one year</b>	15		(812,500)		(1,562,500)
<b>Provisions for liabilities</b>					
Provisions	17	51,375		47,731	
Deferred tax liability	18	19,000		-	
		<u>(70,375)</u>		<u>(47,731)</u>	
<b>Net assets</b>			<u><u>3,359,363</u></u>		<u><u>2,140,900</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		3,862		3,862
Profit and loss reserves			<u>3,355,501</u>		<u>2,137,038</u>
<b>Total equity</b>			<u><u>3,359,363</u></u>		<u><u>2,140,900</u></u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved and signed by the director and authorised for issue on Dec 21, 2023.

Joanne Smith  
.....

J L Smith  
Director

Company registration number 04144405 (England and Wales)

# THE CONSULTING CONSORTIUM LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

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	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 July 2021	3,862	2,944,847	2,948,709
Year ended 30 June 2022:			
Loss and total comprehensive income	-	(807,809)	(807,809)
Balance at 30 June 2022	3,862	2,137,038	2,140,900
Year ended 30 June 2023:			
Profit and total comprehensive income	-	1,218,463	1,218,463
Balance at 30 June 2023	3,862	3,355,501	3,359,363

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# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2023**

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### **1 Accounting policies**

#### **Company information**

The Consulting Consortium Limited is a private company limited by shares incorporated in England and Wales. The registered office is 6th Floor, 10 Lower Thames Street, London, EC3R 6EN.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of The Consulting Consortium Holdings Limited. These consolidated financial statements are available from its registered office, 6th Floor 10 Lower Thames Street, London, United Kingdom, EC3R 6EN.

#### **1.2 Going concern**

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the fair review of the business which forms part of the strategic report. The Directors have reviewed the financial position of the company, including uncertainties arising from the current difficult economic environment and the potential impact of this trading and financing. The Directors have prepared forecasts and cashflows for a three year period which shows the company can pay its' debts as they fall due over this period. Thus, they continue to adopt the going concern basis in preparing the financial statements.

#### **1.3 Turnover**

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

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

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

(Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

##### 1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Development costs	33% Straight line
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Development expenditure is capitalised in accordance with the accounting policy alongside the judgement summarised below. Initial capitalisation of costs is based on management's judgment that technical and economic feasibility is confirmed. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets and the expected period of benefits.

##### 1.5 Tangible fixed assets

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

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

Fixtures and fittings	20% Straight line
Computers	33% Straight line

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

##### 1.6 Impairment of fixed assets

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

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

(Continued)

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

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

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

#### 1.7 Cash and cash equivalents

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

#### 1.8 Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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

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



# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

(Continued)

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

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

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

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

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

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

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

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

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

##### ***Other financial liabilities***

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

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

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### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

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

### 1.9 Equity instruments

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

### 1.10 Taxation

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

#### *Current tax*

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

#### *Deferred tax*

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

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

### 1.11 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

(Continued)

##### 1.12 Employee benefits

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

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

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

##### 1.13 Retirement benefits

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

##### 1.14 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

Due to the terms associated with the share options, no charge to the profit or loss has occurred because the directors believe the criteria for these share options to materialise is remote.

##### 1.15 Leases

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

##### 1.16 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 2 Judgements and key sources of estimation uncertainty

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

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

#### Critical judgements

##### *Development expenditure*

Development expenditure is capitalised in accordance with the accounting policy detailed in Note 1 alongside the judgement summarised below. Initial capitalisation of costs is based on management's judgment that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets and the expected period of benefits.

##### *Recoverability of related company loan*

At the balance sheet date, the group had loans due from related parties of £3,467,715 (2022 - £2,797,621). The balance is due for repayment after 12 months and the Directors monitor this on an annual basis and do not consider there to be any issues in relation to it's recoverability.

### 3 Turnover and other revenue

	2023 £	2022 £
<b>Turnover analysed by class of business</b>		
Principal activities	14,322,787	9,976,142
	<u>14,322,787</u>	<u>9,976,142</u>
	2023 £	2022 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	14,322,787	9,976,142
	<u>14,322,787</u>	<u>9,976,142</u>
	2023 £	2022 £
<b>Other revenue</b>		
Interest income	153,579	91,243
	<u>153,579</u>	<u>91,243</u>

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 4 Operating profit/(loss)

	2023	2022
	£	£
Operating profit/(loss) for the year is stated after charging:		
Exchange losses	692	-
Fees payable to the company's auditor for the audit of the company's financial statements	37,750	27,580
Depreciation of owned tangible fixed assets	29,953	27,551
Amortisation of intangible assets	456,095	675,338
Operating lease charges	96,792	153,004
	<u>          </u>	<u>          </u>

### 5 Employees

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

	2023	2022
	Number	Number
Direct	16	19
Administrative	28	28
Management	6	7
	<u>          </u>	<u>          </u>
Total	50	54
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	3,204,492	3,203,639
Social security costs	367,999	374,596
Pension costs	97,557	94,926
	<u>          </u>	<u>          </u>
	3,670,048	3,673,161
	<u>          </u>	<u>          </u>

### 6 Director's remuneration

	2023	2022
	£	£
Remuneration for qualifying services	243,429	294,857
Company pension contributions to defined contribution schemes	-	1,800
	<u>          </u>	<u>          </u>
	243,429	296,657
	<u>          </u>	<u>          </u>

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 6 Director's remuneration (Continued)

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	243,429	243,406

### 7 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	153,579	91,243

### 8 Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	155,612	126,606

### 9 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	304,650	(44,617)
Adjustments in respect of prior periods	44,667	(193,926)
Total current tax	349,317	(238,543)
<b>Deferred tax</b>		
Origination and reversal of timing differences	19,000	1,647
Total tax charge/(credit)	368,317	(236,896)

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 9 Taxation

(Continued)

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit/(loss) before taxation	1,586,780	(1,044,705)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 20.50% (2022: 19.00%)	325,290	(198,494)
Tax effect of expenses that are not deductible in determining taxable profit	627	798
Adjustments in respect of prior years	44,667	(193,926)
Other permanent differences	-	11
Fixed asset differences	(1,586)	(670)
Remeasurement of deferred tax for changes in tax rates	4,311	(48,549)
Movement in deferred tax not recognised	(4,925)	203,934
Other movements	(67)	-
Taxation charge/(credit) for the year	368,317	(236,896)

#### 10 Intangible fixed assets

	Development costs £
<b>Cost</b>	
At 1 July 2022 and 30 June 2023	3,088,771
<b>Amortisation and impairment</b>	
At 1 July 2022	2,410,199
Amortisation charged for the year	456,095
At 30 June 2023	2,866,294
<b>Carrying amount</b>	
At 30 June 2023	222,477
At 30 June 2022	678,572

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 11 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
<b>Cost</b>			
At 1 July 2022	131,157	176,518	307,675
Additions	109	34,262	34,371
At 30 June 2023	131,266	210,780	342,046
<b>Depreciation and impairment</b>			
At 1 July 2022	127,677	145,860	273,537
Depreciation charged in the year	2,847	27,106	29,953
At 30 June 2023	130,524	172,966	303,490
<b>Carrying amount</b>			
At 30 June 2023	742	37,814	38,556
At 30 June 2022	3,480	30,658	34,138

### 12 Subsidiaries

Details of the company's subsidiaries at 30 June 2023 are as follows:

Name of undertaking	Address	Class of shares held	% Held Direct
TCC Associates Limited	1	Ordinary	100.00

Registered office addresses (all UK unless otherwise indicated):

1 6th Floor, 10 Lower Thames Street, London, EC3R 6EN

100% of the shareholding in The Consulting Consortium Australia PTY Limited was disposed of in the financial year.

### 13 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	2,396,806	1,924,092
Corporation tax recoverable	-	119,960
Amounts owed by group undertakings	58,819	58,819
Other debtors	7,422	943,734
Prepayments and accrued income	114,016	205,866
	2,577,063	3,252,471



# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 13 Debtors (Continued)

	2023 £	2022 £
Amounts falling due after more than one year:		
Other debtors	3,467,715	1,861,835
<b>Total debtors</b>	<b>6,044,778</b>	<b>5,114,306</b>

Amounts owed by group undertakings are interest free and repayable on demand.

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

	Notes	2023 £	2022 £
Bank loans	16	750,000	750,000
Trade creditors		749,405	703,150
Corporation tax		304,650	-
Other taxation and social security		439,442	299,971
Other creditors		176,332	666,263
Accruals and deferred income		240,570	209,920
		<b>2,660,399</b>	<b>2,629,304</b>

Other creditors of £150,139 (2022: £647,583) are secured against trade debtors included within debtors.

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

	Notes	2023 £	2022 £
Bank loans and overdrafts	16	812,500	1,562,500

### 16 Loans and overdrafts

	2023 £	2022 £
Bank loans	1,562,500	2,312,500
Payable within one year	750,000	750,000
Payable after one year	812,500	1,562,500

Bank loans include the Coronavirus Business Interruption Loan Scheme (CBILs) exercised by the Company during the pandemic. Under the scheme rules, the loan is repayable over the next 5 years and accrues interest at 2.84% above base rate. Interest accrued in the first 12 months is payable by the UK Government.

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2023

### 17 Provisions for liabilities

	2023 £	2022 £
Dilapidations provision	<u>51,375</u>	<u>47,731</u>
Movements on provisions:		
		Dilapidations provision £
At 1 July 2022		47,731
Additional provisions in the year		<u>3,644</u>
At 30 June 2023		<u>51,375</u>

The provision above relates to dilapidations in respect of two of the Group's leases.

### 18 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
<b>Balances:</b>		
Accelerated capital allowances	<u>19,000</u>	<u>-</u>
<b>Movements in the year:</b>		2023 £
Liability at 1 July 2022		-
Charge to profit or loss		<u>19,000</u>
Liability at 30 June 2023		<u>19,000</u>

### 19 Retirement benefit schemes

	2023 £	2022 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>97,557</u>	<u>94,926</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 20 Share-based payment transactions

The Group which the Company is consolidated into, The Consulting Consortium Holdings Limited ("The Group"), operates an equity-settled share-based payment scheme for key employees. The options are granted over issued shares in The Consulting Consortium Holdings Limited and can only be exercised at the point of sale of the business. The options over the C ordinary shares will expire if the share options issued in Record Sure Limited, a company related by virtue of common control, are exercised.

During the current and prior financial year, no options were issued or exercised. 416 of the C Ordinary Shares and 8,771 of the Ordinary Shares lapsed in the prior year when two employees left the Group.

The Group did not recognise an expense related to equity-settled share-based payment transactions in the year (2022 - £nil), as the directors believe the possibility for the criteria for these share options to materialise, being a sale of the business, is remote.

### 21 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary shares of 1p each	386,191	386,191	3,862	3,862

### 22 Operating lease commitments

#### Lessee

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

	2023 £	2022 £
Within one year	50,835	59,674
Between two and five years	28,866	10,418
	79,701	70,092

### 23 Related party transactions

#### Transactions with Record Sure Limited

During the year the company entered into the following transactions with Record Sure Limited:

	Sales 2023 £	Sales 2022 £	Purchases 2023 £	Purchases 2022 £
Record Sure Limited	417,380	377,718	329,070	324,089

# THE CONSULTING CONSORTIUM LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 23 Related party transactions

(Continued)

	Payments made on behalf of related party		Interest charge on loan	
	2023 £	2022 £	2023 £	2022 £
Record Sure Limited	518,608	190,725	151,486	91,121

The Company is a related party of Record Sure Limited by virtue of common control. The Company and Record Sure Limited provide services to each other for which management charges are levied. Expenditure recharged by each company for services provided to each company is invoiced at an arms-length basis.

At the 2023 year end, Record Sure Limited had an outstanding loan balance due to the Company of £3,467,715 (2022 - £2,797,621). At the reporting end date, £12,194 (2022: £nil) was outstanding as a trade debt.

During the year, the company paid £50,998 (2022: £38,995) to BGF Investment Management Limited for management services. At the reporting end date, £8,550 (2022: £8,248) was outstanding. The entity is a related party by virtue of BGF Nominees Limited shareholding in The Consulting Consortium Holdings Limited.

#### 24 Ultimate controlling party

The company is a wholly owned subsidiary of Ingenuity Holdings Limited. The ultimate parent undertaking is The Consulting Consortium Holdings Limited, a company registered in England and Wales.

The registered office of both entities and principal place of business is:

6th Floor  
10m Lower Thames Street  
London  
EC3R 6EN

The ultimate controlling party is J L Smith, by virtue of her shareholding and directorship in the ultimate parent undertaking.