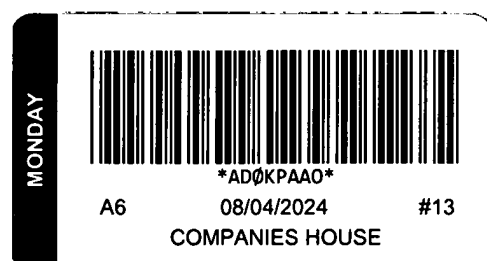


Registered No: 05322368

Asset Link Capital (No.1) Limited
Report and Financial Statements
30 November 2023



Asset Link Capital (No.1) Limited

Registered No. 05322368

Directors

S L Burdell

A R Cloake

Independent Auditors

PricewaterhouseCoopers LLP

Chartered accountants and statutory auditors

7 More London Riverside

London

SE1 2RT

Bankers

HSBC

8 Canada Square

London

EC14 5HQ

Solicitors

Macfarlanes LLP

20 Cursitor Street

London

EC4A 1LT

Registered Office

The Peak

2nd Floor

5 Wilton Road

London

SW1V 1AN

Directors' report

The directors present their report for Asset Link Capital (No.1) Limited ("the Company") for the year ended 30 November 2023.

Review of development of the business and key performance indicators

The Company's principal activity is to act as a special purpose vehicle seeking opportunities to acquire and then manage portfolios of charged-off consumer receivables. The Company continued to seek such opportunities during the financial year.

The Company's key financial performance indicators during the year were as follows:

	2023	2022
	£000	£000
Operating (loss)/profit	(3,331)	12
Net assets	410	3,741

During the year the directors took the decision to write off a longstanding intercompany receivable balance with a fellow group company on the basis that it was not expected that this would be repaid. This has resulted in an expense in the income statement of £3,349,553, and a credit of £18,715 relating to the write back of the related impairment provision. The directors note the Company continues to report a strong net asset position.

Results and dividends

The audited financial statements for the year ended 30 November 2023 are set out on pages 9 to 18. The loss for the financial year was £3,331,000 (2022: profit of £9,000).

The directors do not recommend the payment of a dividend (2022: £nil) and the profit for the financial year ended 30 November 2023 has been transferred to reserves.

Future developments

The Company continues to consider the acquisition of portfolios in the future.

Financial Risk Management

The directors are of the opinion that, given the nature of its business, the Company is not faced with significant risks. Consequently no principal risks are disclosed.

Directors and their interests

The directors who served during the year and up to the date of signing of the financial statements were as follows:

S L Burdell
A R Cloake

Employment policy

The Company has no employees.

Political donations

No political donations were made by the Company during the current or prior year.

Directors' report (continued)

Going concern

The directors have considered all relevant information covering at least twelve months from the date of approval of the financial statements and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

The Company continues to have substantial liquidity arising from the sale of portfolios during earlier years and as such the directors believe there will be sufficient cash to continue in operational existence and to meet its obligations for the foreseeable future and for a period of at least 12 months from the signing date of these financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 directors are also 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.

Statement of disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing its report, of which the auditors are unaware. Having made enquiries of fellow directors and the Company's auditors, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditors are aware of that information.

Directors' report (continued)

Small Companies Provisions

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006. Additionally, the directors took advantage of the small companies' exemption from preparing the Strategic report.

On behalf of the Board



A R Cloake
Director
28 March 2024

Independent auditors' report to the members of Asset Link Capital (No.1) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Asset Link Capital (No.1) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 30 November 2023; the Income statement and the Statement of changes in equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Independent auditors' report to the members of Asset Link Capital (No.1) Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 30 November 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 directors are 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Asset Link Capital (No.1) Limited

Auditors' 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 auditors' 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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 the posting of inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance, including consideration of any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Testing journal entries, with a focus on unusual journals impacting cash and expenses based on our understanding of the business; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Asset Link Capital (No.1) Limited

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Natasha McMillan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
28 March 2024

Income statement

for the year ended 30 November 2023

	Note	2023 £'000	2022 £'000
Revenue		-	-
Cost of sales		-	-
Gross result		-	-
Administrative (expense)/income		(3,331)	12
Operating (loss)/profit	4	(3,331)	12
Finance income		-	-
(Loss)/profit before taxation		(3,331)	12
Tax on (loss)/profit	6	-	(3)
(Loss)/profit for the financial year		(3,331)	9

All activities derive from continuing operations.

A statement of comprehensive income has not been prepared as there were no gains or losses for the year other than those included in the income statement above.

The notes on pages 12 to 18 are an integral part of these financial statements.

Statement of financial position

As at 30 November 2023

	Note	2023 £'000	2022 £'000
<i>Current assets</i>			
Trade and other receivables	7	-	3,331
Cash and cash equivalents		1,516	1,584
		<u>1,516</u>	<u>4,915</u>
<i>Creditors: amounts falling due within one year</i>			
Trade and other payables	8	(1,106)	(1,174)
Net current assets		<u>410</u>	<u>3,741</u>
Total assets less current liabilities		<u>410</u>	<u>3,741</u>
Net assets		<u>410</u>	<u>3,741</u>
<i>Equity</i>			
Called up share capital	9	-	-
Retained earnings		410	3,741
Total shareholders' funds		<u>410</u>	<u>3,741</u>

The notes on pages 12 to 18 are an integral part of these financial statements.

The financial statements on pages 9 to 18 were approved and authorised for issue by the Board of directors on 28 March 2024 and signed on its behalf by:



A R Cloake
Director

Statement of changes in equity

for the year ended 30 November 2023

	Called up share capital £'000	Retained earnings £'000	Total shareholders' funds £'000
Balance as at 1 December 2021	-	3,732	3,732
Profit for the financial year	-	9	9
Balance as at 30 November 2022	-	3,741	3,741
Loss for the financial year	-	(3,331)	(3,331)
Balance as at 30 November 2023	-	410	410

Notes to the financial statements

For the year ended 30 November 2023

1. General information

Asset Link Capital (No.1) Limited ("the Company") is a private limited company incorporated and domiciled in the United Kingdom under the Companies Acts 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the review of development of the business and key performance indicators on page 2.

These financial statements are presented in Pound Sterling (£) and all values are rounded to the nearest thousand (£'000), because that is the currency of the primary economic environment in which the Company operates, which is also the Company's functional currency.

These financial statements are separate financial statements. The Company is included in the group financial statements of LC Financial Holdings Limited, together with its subsidiaries ("the Group"). The consolidated financial statements of the Group are available to the public and are available as per note 11.

2. Accounting policies

a) Basis of preparation

The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council as it is included in the group financial statements of LC Financial Holdings Limited, together with its subsidiaries ("the Group"), which are available to the public as per note 11.

The financial statements have therefore been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) as issued by the Financial Reporting Council and in accordance with the requirements of the Companies Act 2006. The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions available under that standard from the requirements of IFRS:

- i) IFRS 7 *Financial Instruments: Disclosures* and paragraphs 91-99 of IFRS 13 *Fair Value Measurement (disclosure of valuation techniques and inputs used for the fair value measurement of assets and liabilities)*;
- ii) Paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of:
 - (1) paragraph 79(a)(iv) of IAS 1 (reconciliation for the number of shares in issues);
- iii) Paragraphs of IAS 1 *Presentation of Financial Statements*:
 - (1) 10(d) (statement of cash flows);
 - (2) 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it classifies items in its financial statements);

Notes to the financial statements (continued)

For the year ended 30 November 2023

2. Accounting policies (continued)

a) Basis of preparation (continued)

- (3) 16 (statement of compliance with all IFRS);
- (4) 38A (requirement for minimum of two primary statements, including cash flow statements);
- (5) 38B-D (additional comparative information);
- (6) 40A-D (requirements for a third statement of financial position);
- (7) 111 (cash flow statement information); and
- (8) 134 to 136 (capital management disclosures);
- iv) IAS 7 Statement of Cash Flows;
- v) Paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- vi) Paragraphs 17 of IAS 24 Related Party Disclosures (key management compensation);
- vii) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and
- viii) Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets.

Where relevant, equivalent disclosures have been given in the group accounts of LC Financial Holdings Limited. The Group accounts are available to the public and can be obtained as set out in note 11.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below and have been applied consistently to all years unless otherwise stated.

b) New standards, amendments and IFRIC interpretations

Standards issued but not yet effective include 'Amendment to FRS 101 reduced disclosure framework – effective date of IFRS 17'. This amendment changes the effective date of an amendment to the definition of a qualifying entity, effectively allowing relevant insurers to continue to apply FRS temporarily. The revised effective date for the new definition of a qualifying entity is accounting periods beginning on or after 1 January 2023

c) Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Review of the development of the business section of the Directors' Report on page 2.

The directors have considered all relevant information covering at least twelve months from the date of approval of the financial statements and have concluded that it is appropriate to prepare the financial statements on a going concern basis.

The Company continues to have substantial liquidity arising from the sale of portfolios during earlier years and as such the directors believe there will be sufficient cash to continue in operational existence and to meet its obligations as they fall due and for the foreseeable future and for a period of at least 12 months from the signing date of these financial statements.

Notes to the financial statements (continued)

For the year ended 30 November 2023

2. Accounting policies (continued)

d) Revenue

The Company acts as an SPV and does not currently generate revenue through its operations.

e) Financial assets

Classification

The Company classifies its financial assets as financial assets at amortised cost. Management determines the classification of its financial assets at initial recognition.

Financial assets at amortised cost

Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's financial assets at amortised cost comprise intercompany receivables.

Recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest rate ("EIR") method on an accruals basis if the effect of discounting is material; otherwise, they are held at cost.

The EIR method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Impairment of financial assets

Under IFRS 9 all financial assets attract an ECL, the level of which depends on whether there has been a significant increase in credit risk from the date the asset was originated. The companies' financial assets at amortised cost comprise 'trade and other receivables' in the statement of financial position. 'Trade and other receivables' in the prior year comprised intercompany receivables where a valuation method for these assets calculated an ECL of £19,000. During the financial year the directors of the Company took the decision to write off the intercompany receivable that existed at the end of the prior year of £3,349,553. This resulted in an expense of this amount in the income statement, as well as a credit relating to the write back of the previous expected loss provision relating to this receivable of £18,715.

f) Financial liabilities

Recognition

Financial liabilities are initially measured at fair value, net of transaction costs.

Classification

Financial liabilities are classified as other financial liabilities. Other financial liabilities are amounts payable to Group undertakings, which are obligations for services that have been acquired in the ordinary course of business from Group entities.

Notes to the financial statements (continued)

For the year ended 30 November 2023

2. Accounting policies (continued)

f) Financial liabilities (continued)

Recognition and measurement

Other financial liabilities are subsequently measured at amortised cost using the EIR method, with interest expense recognised on an effective yield basis if the effect of discounting is material; otherwise, they are held at cost.

The EIR method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Derecognition

The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled, or expire.

g) Taxation

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

h) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 balance sheet date.

i) Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

j) Foreign currencies

The financial statements are presented in sterling (£'000). There have been no transactions during the year denominated in foreign currencies, and the Company has no assets or liabilities denominated in foreign currencies at the balance sheet date.

k) Related party transactions

The Company has taken advantage of the exemption contained in FRS 101 to not disclose transactions with entities that form part of the consolidated financial statements of the Group.

Notes to the financial statements (continued)

For the year ended 30 November 2023

2. Accounting policies (continued)

l) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are held as current liabilities, as they do not constitute an integral part of the Company's working capital management.

m) Share capital

Ordinary shares are classified as equity.

n) Administrative expense

Where there are administrative expenses these typically comprise professional fees. Auditors remuneration is borne by a fellow group company.

3. Critical accounting estimates and judgements

The estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Operating loss

The operating loss is stated after charging/(crediting):

	2023	2022
	£'000	£'000
Movement in IFRS 9 expected credit loss provision	(19)	(12)
Write off of intercompany receivable balance	3,350	
Auditors' remuneration:		
Audit services	-	-

During the year the directors took the decision to write off a longstanding intercompany receivable balance with a fellow group company on the basis that it was not expected that this would be repaid. This has resulted in an expense in the income statement of £3,349,553, and a credit of £18,715 relating to the write back of the related impairment provision.

Auditors' remuneration was borne by another Group entity in relation to the current and prior financial year.

Notes to the financial statements (continued)

For the year ended 30 November 2023

5. Directors' emoluments and staff costs

The directors of the Company are also directors or employees of other companies within the Group. These directors did not receive any remuneration for their services to the Company for the year ended 30 November 2023 (2022: £nil). No recharges are made in relation to these services.

The Company did not employ any staff during the current or prior year.

6. Tax on (loss)/profit

(a) Tax on (loss)/profit

	2023 £'000	2022 £'000
Current tax on (loss)/profit for the year	-	3
Total UK corporation tax charge	-	3

The standard rate of corporation tax in the UK for the year ended 30 November 2023 was 23.01% (2022: 19%).

(b) Factors affecting tax on profit for the year

	2023 £'000	2022 £'000
(Loss)/profit before tax	(3,331)	12
Tax on (loss)/profit at statutory rate of 23.01% (2022: 19%)	(766)	2
Adjustment in respect of prior years	-	3
Expenses not deductible	770	-
Income not taxable	(4)	(2)
Tax on (loss)/profit	-	3

7. Trade and other receivables

	2023 £'000	2022 £'000
Amounts owed by related parties	-	3,331

Amounts owed by related parties are unsecured, interest free and repayable on demand.

Notes to the financial statements (continued)

For the year ended 30 November 2023

8. Trade and other payables

	2023 £'000	2022 £'000
Trade and other payables	1,106	1,171
Corporation tax payable	-	3
	<u>1,106</u>	<u>1,174</u>

9. Called up Share capital

	2023 No. of shares	2022 No. of shares
Authorised shares		
Ordinary shares of £1 each	1	1
	2023 £'000	2022 £'000
Ordinary shares of £1 each issued and fully paid		
At the beginning of the year	-	-
Issued during the year	-	-
At the end of the year	<u>-</u>	<u>-</u>

10. Related party transactions

The Company has taken advantage of the exemption contained in FRS 101 to not disclose transactions with entities that form part of the consolidated financial statements of the Group and which are wholly-owned by the Group.

11. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Asset Link Capital Holdings Limited.

LC Financial Holdings Limited, incorporated in Ireland, is the Company's ultimate parent and is the smallest and largest group to consolidate these financial statements, copies of which are available from its registered office at 20 Kildare Street, Dublin 2, Ireland.