

KAICAN LLP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

KAICAN LLP

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KAICAN LLP

INFORMATION

Designated Members

R T Langstaff
V Bond

LLP registered number

OC372909

Registered office

17 Cavendish Square
London
W1G 0PH

Bankers

Barclays Bank Plc
One Churchill Place
London
E14 5HP

Independent auditor

Blick Rothenberg Audit LLP

Chartered Accountants & Statutory Auditor
16 Great Queen Street

Covent Garden
London
WC2B 5AH

KAICAN LLP**BALANCE SHEET
AS AT 31 DECEMBER 2021**

		2021	As restated
	Note	£	2020
			£
Fixed assets			
Tangible assets	4	1,806	3,129
Investments	5	210,000	220,000
		<hr/>	<hr/>
		211,806	223,129
Current assets			
Debtors: amounts falling due within one year	6	240,981	545,317
Cash at bank and in hand		236,153	541,943
		<hr/>	<hr/>
		477,134	1,087,260
Creditors: amounts falling due within one year	7	(90,057)	(184,076)
		<hr/>	<hr/>
Net current assets		387,077	903,184
		<hr/>	<hr/>
Total assets less current liabilities		598,883	1,126,313
		<hr/>	<hr/>
Net assets attributable to members		598,883	1,126,313
		<hr/>	<hr/>

KAICAN LLP**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021**

	Note	2021 £	As restated 2020 £
Represented by:			
Loans and other debts due to members within one year			
Other amounts		44,945	31,846
		44,945	31,846
Members' other interests			
Members' capital classified as equity		560,980	560,980
Other reserves		(7,042)	533,487
		553,938	1,094,467
		598,883	1,126,313
Members' interests			
Loans and other debts due from members	6	(213,667)	(531,317)
Loans and other debts due to members		44,945	31,846
Members' other interests		553,938	1,094,467
Total equity		385,216	594,996

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements have been delivered in accordance with the provisions applicable to LLPs subject to the small LLPs regime.

The entity has opted not to file the profit and loss account in accordance with the provisions applicable to entities subject to the small LLPs regime.

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 13 March 2023.

R T Langstaff

Designated member

The notes on pages 5 to 13 form part of these financial statements.

KAICAN LLP

RECONCILIATION OF MEMBERS' INTERESTS FOR THE YEAR ENDED 31 DECEMBER 2021

	Members' capital (classified as equity) £	Other reserves £	Total members' other interests £	Loans and other debts due to members less any amounts due from members in debtors £	Total £
				37,421	
Amounts due to members (restated)				(164,024)	
Amounts due from members (restated)					
Balance at 1 January 2020	560,980	362,144	923,124	(126,603)	796,521
Profit for the year available for discretionary division among members	-	533,487	533,487	-	533,487
Members' interests after profit for the year	560,980	895,631	1,456,611	(126,603)	1,330,008
Allocated profit for the financial year	-	(362,144)	(362,144)	362,144	-
	-	-	-	(735,012)	(735,012)
Amounts withdrawn by members					
				31,846	
Amounts due to members (restated)				(531,317)	
Amounts due from members (restated)					
Balance at 31 December 2020 and 1 January 2021	560,980	533,487	1,094,467	(499,472)	594,995
Loss for the year available for discretionary division among members	-	(7,042)	(7,042)	-	(7,042)
Members' interests after profit for the year	560,980	526,445	1,087,425	(499,472)	587,953
Allocated profit for the financial year	-	(533,487)	(533,487)	533,487	-
	-	-	-	(202,737)	(202,737)
Amounts withdrawn by members					

Amounts due to members				44,945	
				(213,667)	
Amounts due from members				<u> </u>	
		(7,042)	553,938	(168,722)	
Balance at 31 December 2021	560,980	<u> </u>	<u> </u>	<u> </u>	385,216

KAICAN LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Kaican LLP is a limited liability partnership, incorporated in England and Wales. Its registered office is 17 Cavendish Square, London, W1G 0PH.

The financial statements are presented in Sterling (£). Monetary amounts in these financial statements are rounded to the nearest £.

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 Section 1A of 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 following principal accounting policies have been applied:

2.2 Going concern

The LLP has adequate financial resources and, as a consequence, the designated members believe that the LLP is well placed to manage its business risks successfully. After making enquiries, the designated members have a reasonable expectation that the LLP has adequate resources to continue its operational existence and meet its liabilities as they fall due for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Revenue

Revenue is derived primarily from consulting projects.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured. Revenue 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 revenue is recognised:

2. Accounting policies (continued)

2.4 Financial instruments

The LLP has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

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

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 LLP after deducting all of its liabilities.

The LLP's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, and amounts due from group undertakings, are initially recognised at transaction price, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, and amounts due to group undertakings, 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 for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

2. Accounting policies (continued)**Financial instruments (continued)****Impairment of financial assets**

Financial assets 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 profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the 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.

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 and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet 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.

2.5 Cash at bank and in hand

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

2.6 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.

2. Accounting policies (continued)**2.6 Tangible fixed assets (continued)**

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:

Computer equipment	-	33%
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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.

2.7 Investments

The LLP holds investments in operating subsidiaries and minority stakes in pools of consumer loans. Subsidiaries are held at cost less impairment. Investments in loan pools are held at fair value where a market value can be reasonably determined or at cost where not. All investments in loan pools are currently held at cost.

2.8 Foreign currency translation**Functional and presentation currency**

The LLP's functional and presentational currency is Sterling (£).

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 resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

2. Accounting policies (continued)

2.9 Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with FRS 102. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the profit and loss account in the relevant year. To the extent that they remain unpaid at the period end, they are shown as liabilities in the balance sheet.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the profit and loss account and are equity appropriations in the balance sheet.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the balance sheet within 'Loans and other debts due to members' and are charged to the profit and loss account within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the balance sheet within 'Members' other interests'.

3. Employees

The entity has no employees other than the members, who did not receive any remuneration (2020 - £NIL).

KAICAN LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

4. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2021	14,440
	<hr/>
At 31 December 2021	14,440
	<hr/>
Depreciation	
At 1 January 2021	11,311
Charge for the year	1,323
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At 31 December 2021	12,634
	<hr/>
Net book value	
At 31 December 2021	1,806
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At 31 December 2020	3,129
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KAICAN LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

5. Fixed asset investments

	Investments in subsidiary companies £
Cost	
At 1 January 2021	628,136
At 31 December 2021	<u>628,136</u>
Impairment	
At 1 January 2021	408,136
Charge for the period	10,000
At 31 December 2021	<u>418,136</u>
Net book value	
At 31 December 2021	<u><u>210,000</u></u>
At 31 December 2020	<u><u>220,000</u></u>

KAICAN LLP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Debtors

	2021 £	As restated 2020 £
Trade debtors	23,705	14,000
Other debtors	3,406	-
Prepayments and accrued income	203	-
Amounts due from members	213,667	531,317
	<u>240,981</u>	<u>545,317</u>

7. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	44,466	95
Amounts owed to group undertakings	20,508	83,379
Other taxation and social security	-	60,502
Accruals and deferred income	25,083	40,100
	<u>90,057</u>	<u>184,076</u>

Amounts owed to group undertakings are interest free, have no fixed repayment date and are repayable on demand.

8. Loans and other debts due to members

	2021 £	As restated 2020 £
Other amounts due to members	<u>44,945</u>	<u>31,846</u>

Loans and other debts due to members may be further analysed as follows:

	2021 £	As restated 2020 £
Falling due within one year	<u>44,945</u>	<u>31,846</u>

Loans and other debts due to members rank equally with debts due to ordinary creditors in the event of a winding up.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Prior year adjustment

Following the finalisation of the financial statements for the year ended 31 December 2021, the members identified that amounts due from members had been shown net of amounts due to members as at 31 December 2020 and at 31 December 2019. This error has been corrected in these financial statements and amounts due from members were restated from £499,471 to £531,317 at 31 December 2020 and from £126,603 to £164,024 at 31 December 2019. Corresponding adjustments were booked to amounts due to members, amounts due to members were restated from £nil to £31,846 at 31 December 2020 and £nil to £37,421 at 31 December 2019.

There has been no impact on the prior year profit and loss account as a result of these reclassifications.

10. Auditor's information

The auditor's report on the company's full financial statements was unqualified. Those financial statements were audited by Blick Rothenberg Audit LLP and the auditor's report thereon was signed by Nils Schmidt-Soltau (senior statutory auditor) on 15 March 2023.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.