

KAICAN LLP
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

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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
16 Great Queen Street
London
WC2B 5AH

KAICAN LLP

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	483	1,806
Investments	5	223,214	210,000
		<u>223,697</u>	<u>211,806</u>
Current assets			
Debtors: amounts falling due within one year	6	275,530	240,981
Cash at bank and in hand		156,753	236,153
		<u>432,283</u>	<u>477,134</u>
Creditors: amounts falling due within one year	7	(79,779)	(90,057)
Net current assets		<u>352,504</u>	<u>387,077</u>
Total assets less current liabilities		<u>576,201</u>	<u>598,883</u>
Net assets attributable to members		<u><u>576,201</u></u>	<u><u>598,883</u></u>

KAICAN LLP

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Represented by:			
Loans and other debts due to members within one year			
Other amounts	8	44,875	44,945
		<u>44,875</u>	<u>44,945</u>
Members' other interests			
Members' capital classified as equity	560,980	560,980	
Other reserves	(29,654)	(7,042)	
		<u>531,326</u>	<u>553,938</u>
		<u>576,201</u>	<u>598,883</u>
Total members' interests			
Loans and other amounts due from members	6	(268,025)	(213,667)
Loans and other debts due to members	8	44,875	44,945
Members' other interests		531,326	553,938
		<u>308,176</u>	<u>385,216</u>
Total equity			

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 by:

R T Langstaff

Designated member

Date: 21 December 2023

The notes on pages 5 to 11 form part of these financial statements.

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	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 £	Total £
				31,846	31,846	
Amounts due to members				(531,317)	(531,317)	
Amounts due from members						
Balance at 1 January 2021	560,980	533,487	1,094,467	(499,472)	(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)	(499,472)	587,953
Other division of losses	-	(533,487)	(533,487)	533,487	533,487	-
Drawings on account and distribution of profit	-	-	-	(202,737)	(202,737)	(202,737)
				44,945	44,945	
Amounts due to members				(213,667)	(213,667)	
Amounts due from members						
Balance at 31 December 2021	560,980	(7,042)	553,938	(168,722)	(168,722)	385,216
Loss for the year available for discretionary division among members	-	(29,654)	(29,654)	-	-	(29,654)
Members' interests after profit for the year	560,980	(36,696)	524,284	(168,722)	(168,722)	355,562
Other division of losses	-	7,042	7,042	(7,042)	(7,042)	-
Drawings on account and distribution of profit	-	-	-	(47,386)	(47,386)	(47,386)
				44,875	44,875	
Amounts due to members				(268,025)		

Amounts due from members					(268,025)	
)	
		(29,654)	531,326	(223,150)	(223,150)	
)))	
Balance at 31 December 2022	<u>560,980</u>					<u>308,176</u>

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of members' other interests.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Following the cessation of trade of the LLP, it is the intention of the members to wind down the LLP. Accordingly, the financial statements have been prepared on a basis other than going concern. The members have made all appropriate adjustments to the assets, liabilities and disclosures to reflect that the financial statements have been prepared on a basis other than going concern.

No further adjustments are required to provide for any future cost of terminating the business to which the LLP was committed at the balance sheet date.

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.

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 and cash and bank balances 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.

2. Accounting policies (continued)**Financial instruments (continued)**

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 companies 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.

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 LLP 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. Accounting policies (continued)**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.

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. Accounting policies (continued)**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 'other operating income'.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

Members' participation rights (continued)

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'.

2.10 Impairment of fixed assets and goodwill

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

3. Employees

The entity has no employees other than the members, who did not receive any remuneration (2021 - £NIL).

4. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2022	14,440
At 31 December 2022	<u>14,440</u>
Depreciation	
At 1 January 2022	12,634
Charge for the year	1,323
At 31 December 2022	<u>13,957</u>
Net book value	
At 31 December 2022	<u><u>483</u></u>
At 31 December 2021	<u><u>1,806</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	628,136
Additions	6,045
	<hr/>
At 31 December 2022	634,181
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Impairment	
At 1 January 2022	418,136
Reversal of impairment losses	(7,169)
	<hr/>
At 31 December 2022	410,967
	<hr/>
Net book value	
At 31 December 2022	<u>223,214</u>
At 31 December 2021	<u>210,000</u>

6. Debtors

	2022 £	2021 £
Trade debtors	1,956	23,705
Other debtors	5,404	3,406
Prepayments and accrued income	145	203
Amounts due from members	268,025	213,667
	<hr/>	<hr/>
	<u>275,530</u>	<u>240,981</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	9,000	44,466
Amounts owed to group undertakings	18,255	20,508
Accruals and deferred income	52,524	25,083
	<u>79,779</u>	<u>90,057</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

	2022	2021
	£	£
Other amounts due to members	<u>44,875</u>	<u>44,945</u>

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

	2022	2021
	£	£
Falling due within one year	<u>44,875</u>	<u>44,945</u>

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

9. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified.

In their report, the auditor emphasised the following matter without qualifying their report:

We draw attention to note 2.2 to the financial statements which explains the members' intention to wind down the LLP and therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in note 2.2. Our opinion is not modified in respect of this matter.

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

The audit report was signed on 21 December 2023 by Nils Schmidt-Soltau (senior statutory auditor) on behalf of Blick Rothenberg Audit LLP.

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.