

REGISTERED NUMBER: OC389738

Shankar (UK) LLP

Filleted Unaudited Financial Statements

31 March 2023

Shankar (UK) LLP

Statement of Financial Position

31 March 2023

		2023	2022
	Note	£	£
Fixed assets			
Tangible assets	5	276,175	215,227
Current assets			
Stocks		82,482	90,961
Debtors	6	220,519	175,418
Cash at bank and in hand		28,652	112,343
		331,653	378,722
Creditors: amounts falling due within one year	7	530,929	562,773
Net current liabilities		199,276	184,051
Total assets less current liabilities		76,899	31,176
Creditors: amounts falling due after more than one year	8	—	28,570
Net assets		76,899	2,606
Represented by:			
Loans and other debts due to members			
Other amounts	9	717,088	619,322
Members' other interests			
Members' capital classified as equity		(640,189)	(616,716)
Other reserves		—	—
		76,899	2,606
Total members' interests			
Loans and other debts due to members	9	717,088	619,322
Members' other interests		(640,189)	(616,716)
		76,899	2,606

These financial statements have been prepared and delivered in accordance with the provisions applicable to LLPs subject to the small LLPs' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006 (as applied to LLPs), the statement of comprehensive income has not been delivered.

For the year ending 31 March 2023 the LLP was entitled to exemption from audit under section 477 of the Companies Act 2006 (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008) relating to small LLPs.

The members acknowledge their responsibilities for complying with the requirements of the Act (as applied to LLPs) with respect to accounting records and the preparation of financial statements .

Shankar (UK) LLP

Statement of Financial Position *(continued)*

31 March 2023

These financial statements were approved by the members and authorised for issue on 9 November 2023 , and are signed on their behalf by:

B R Main

Designated Member

Registered number: OC389738

Shankar (UK) LLP

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The LLP is registered in England and Wales. The address of the registered office is 63 Major Street, Wolverhampton, West Midlands, WV2 2BL.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in December 2018 (SORP 2018).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the LLP. (b) Disclosures in respect of financial instruments have not been presented.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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 Section 22 of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. 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 statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

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 statement of comprehensive income and are equity appropriations in the statement of financial position.

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 statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	-	20% straight line
Plant and machinery	-	33% straight line
Fixtures and fittings	-	33% straight line
Motor vehicles	-	33% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the LLP will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the LLP recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Employee numbers

The average number of persons employed by the LLP during the year, including the members with contracts of employment, amounted to 9 (2022: 12).

5. Tangible assets

	Short leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2022	127,141	71,364	238,452	42,250	479,207
Additions	31,160	79,524	—	36,000	146,684
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At 31 March 2023	158,301	150,888	238,452	78,250	625,891
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Depreciation					
At 1 April 2022	35,945	25,534	182,001	20,500	263,980
Charge for the year	22,632	23,788	30,316	9,000	85,736
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At 31 March 2023	58,577	49,322	212,317	29,500	349,716
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Carrying amount					
At 31 March 2023	99,724	101,566	26,135	48,750	276,175
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At 31 March 2022	91,196	45,830	56,451	21,750	215,227
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6. Debtors

	2023	2022
	£	£
Trade debtors	206,022	166,271
Other debtors	14,497	9,147
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	220,519	175,418
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Included in debtors is an amount of £249,223 (2022 £199,893) subject to a factoring agreement. The amount due to factors of £154,332 (2022 £151,476) is included in creditors due within one year.

7. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	204,800	148,287
Social security and other taxes	63,691	114,251
ART loan	2,330	—
Other creditors	260,108	300,235
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	530,929	562,773
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The amount due to factors of £154,332 (2022 £151,476) included in other creditors, is secured by way of a fixed and floating charge over the LLP's assets. The ART loan is secured by way of a charge over the assets of the LLP.

8. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
ART loan	—	28,570
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The ART loan is secured by way of a charge over the assets of the LLP.

9. Loans and other debts due to members

	2023	2022
	£	£
Amounts owed to members in respect of profits	717,088	619,322
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10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2023	2022
	£	£
Not later than 1 year	4,264	1,813
Later than 1 year and not later than 5 years	7,462	5,330
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	11,726	7,143
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11. Related party transactions

During the year the company paid rent of £50,000 to a partnership controlled by B R Main and P Main.

12. Controlling party

The LLP is controlled by B R Main and P Main.

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